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|---|---|---|---|---|---|---|---|---|---|--|--|
| A | S | 9 | 4 | 0 | 0 | 7 | 1 | 6 | 0 |  |  |
|---|---|---|---|---|---|---|---|---|---|--|--|

SEC Registration Number

[illegible]

(Company's Full Name)

[illegible]

(Business Address: No. Street City/Town/Province)

**MARIVIC S. VICTORIA**

(Contact Person)

**(+632) 8403-6910**

(Company Telephone Number)

|               |          |  |            |          |  |  |  |  |  |  |  |             |          |   |          |  |  |  |  |          |          |                 |                  |            |
|---------------|----------|--|------------|----------|--|--|--|--|--|--|--|-------------|----------|---|----------|--|--|--|--|----------|----------|-----------------|------------------|------------|
| <b>1</b>      | <b>2</b> |  | <b>3</b>   | <b>1</b> |  |  |  |  |  |  |  | <b>1</b>    | <b>7</b> | - | <b>Q</b> |  |  |  |  | <b>0</b> | <b>6</b> | <b>Last Fri</b> |                  |            |
| <i>Month</i>  |          |  | <i>Day</i> |          |  |  |  |  |  |  |  | (Form Type) |          |   |          |  |  |  |  |          |          |                 | <i>Month</i>     | <i>Day</i> |
| (Fiscal Year) |          |  |            |          |  |  |  |  |  |  |  |             |          |   |          |  |  |  |  |          |          |                 | (Annual Meeting) |            |

N.A.

(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

\_\_\_\_\_

Amended Articles  
Number/Section

**1,904**

### Total No. of Stockholders

## Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

[illegible]

Document ID

Cashier



## SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307 Metro Manila Philippines

Tel: (632) 818-0921 Fax: (632) 818-5293 Email: mis@sec.gov.ph



**The following document has been received:**

**Receiving:** DONNA ENCARNADO

**Receipt Date and Time:** November 13, 2025 12:19:22 PM

### Company Information

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**SEC Registration No.:** AS94007160

**Company Name:** ARTHALAND CORPORATION

**Industry Classification:** K70120

**Company Type:** Stock Corporation

### Document Information

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**Document ID:** OST11113202583816692

**Document Type:** Quarterly Report

**Document Code:** SEC\_Form\_17-Q

**Period Covered:** September 30, 2025

**Submission Type:** Original Filing

**Remarks:** None

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Acceptance of this document is subject to review of forms and contents

**Daisy D. Cruz**

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**From:** Philippine Stock Exchange <no-reply@pse.com.ph>  
**Sent:** Thursday, November 13, 2025 2:37 PM  
**To:** Daisy D. Cruz; g.vince.casanova@gmail.com; ggcasanova@arthaland.com; Margeline C. Hidalgo; Marivic S. Victoria; Riva Khristine Maala; Sheryll P. Verano; Siegfried S. Suarez; disclosure@pse.com.ph  
**Subject:** Quarterly Report

Dear Sir/Madam:

Your disclosure was approved as Company Report. Details are as follows:

Company Name: Arthaland Corporation

Reference Number: 0040250-2025

Date and Time: Thursday, November 13, 2025 14:36 PM Template Name: Quarterly Report Report Number: CR07832-2025

Best Regards,  
PSE EDGE

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<https://apc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.pse.com.ph%2FstockMarket%2Fcontent.html%3Fsec%3Dprivacypolicy&data=05%7C02%7Cddcruz%40arthaland.com%7C201c74ba58b84f639f4c08de227eff5a%7Cd4fe25>

26c1e14ad3b425f3737cbdc476%7C0%7C0%7C638986126038130189%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGki  
OnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMilslkFOljoitWFPbClldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=CeOI8w  
xPof0w9PeE%2Fjgz3RriY9UATPCrIBfCn9slW4c%3D&reserved=0

The Philippine Stock Exchange, Inc., 6th to 10th Floors, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City,  
Taguig City, Philippines 1634

**Daisy D. Cruz**

---

**From:** PDEX Disclosure <pdex.disclosure@pds.com.ph>  
**Sent:** Thursday, November 13, 2025 5:53 PM  
**To:** Marivic S. Victoria  
**Cc:** Ma. Eileen Belle G. Cruz; Daisy D. Cruz; Riva Khristine Maala; Margeline C. Hidalgo  
**Subject:** Re: [EXTERNAL] Arthaland Disclosure | Quarterly Report (SEC Form 17-Q) September 30, 2025

Ladies and Gentlemen:

We acknowledge receipt of the disclosure and the attached document.

Sincerely,

**Francis SM. Jacob**  
Compliance and Surveillance Officer  
Market Regulatory Services Group

**Philippine Dealing & Exchange Corp.**  
29th Floor BDO Equitable Tower • 8751 Paseo de Roxas, Makati City, 1226 Philippines

[francis.jacob@pds.com.ph](mailto:francis.jacob@pds.com.ph)  
[www.pds.com.ph](http://www.pds.com.ph)

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**From:** Marivic S. Victoria <msvictoria@arthaland.com>  
**Sent:** Thursday, November 13, 2025 3:37 PM  
**To:** PDEX Disclosure <pdex.disclosure@pds.com.ph>  
**Cc:** Ma. Eileen Belle G. Cruz <mebgcruz@arthaland.com>; Daisy D. Cruz <ddcruz@arthaland.com>; Riva Khristine Maala <rvmaala@arthaland.com>; Margeline C. Hidalgo <mchidalgo@arthaland.com>  
**Subject:** [EXTERNAL] Arthaland Disclosure | Quarterly Report (SEC Form 17-Q) September 30, 2025

**EXTERNAL EMAIL WARNING:** This email originated from outside of the organization. **DO NOT CLICK** links or open attachments unless you recognize the sender and know the content is safe.

**ATTY. SUZY CLAIRE R. SELLEZA**

Head - Issuer Compliance and Disclosure Department

Philippine Dealing & Exchange Corp.

Subject: Quarterly Report (SEC Form 17-Q) as of September 30, 2025

Ladies and Gentlemen:

Please find attached the subject disclosure made to the SEC and PSE today.

We trust you find the same in order.

Thank you.

MARIVIC S. VICTORIA  
Chief Finance Officer  
ARTHALAND CORPORATION  
7F Arthaland Century Pacific Tower  
5th Avenue Corner 30th Street  
Bonifacio Global City  
1634 Taguig City Philippines  
[www.arthaland.com](http://www.arthaland.com)

T: (+632) 8403 6910  
M: 09175949087  
E: [msvictoria@arthaland.com](mailto:msvictoria@arthaland.com)

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**ARTHALAND CORPORATION**

(Company's Full Name)

**7/F ArthaLand Century Pacific Tower, 5th Avenue corner 30th Street**

**Bonifacio Global City, Taguig City**

(Company's Address)

**8403-6910**

(Telephone Number)

**December 31**

(Fiscal year ending)

(month & day)

**June 27**

(Annual Meeting)

**SEC FORM 17 – Q QUARTERLY REPORT**

(Form Type)

Amendment Designation (If applicable)

**September 30, 2025**

(Period Ended Date)

**(Secondary License Type & File Number)**

**LCU**

**(Cashier)**

**DTU**

**ASO-94-007160**

(SEC Number)

**Central Receiving Unit**

**File Number**

**Document I.D.**

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q  
QUARTERLY REPORT PURSUANT TO SECTION 11 OF THE  
REVISED SECURITIES ACT AND RSA RULE 11(a)-1 (b)(2) THEREUNDER

1. For the quarterly period ended September 30, 2025

2. Commission Identification No. ASO-94-007160

3. BIR TIN 004-450-721-0000

4. Exact name of registrant as specified in its character

**ARTHALAND CORPORATION**

5. Incorporated in Metro Manila, Philippines on August 10, 1994.

6. Industry Classification Code \_\_\_\_\_ (SEC Use Only).

7. Address of registrant's principal office Postal Code  
**7/F ArthaLand Century Pacific Tower, 5th Avenue corner 30th Street,  
Bonifacio Global City, Taguig City** **1634**

8. Registrant's Telephone Number : 8403-6910

9. Former name, former address and former fiscal year, if changed since last report: Not Applicable

10. Securities registered pursuant to Sections 4 and 8 of the RSA

| <u>Title of Each Class</u>         | <u>Number of Shares Outstanding</u>    | <u>Amount of Debt Outstanding</u> |
|------------------------------------|----------------------------------------|-----------------------------------|
| <b>Common Shares</b>               | <b>5,318,095,199 (₱0.18 par value)</b> | <b>None</b>                       |
| <b>Preferred Shares – Series A</b> | <b>12,500,000 (₱1.00 par value)</b>    | <b>None</b>                       |
| <b>Preferred Shares – Series D</b> | <b>6,000,000 (₱1.00 par value)</b>     | <b>None</b>                       |
| <b>Preferred Shares – Series E</b> | <b>14,000,000 (₱1.00 par value)</b>    | <b>None</b>                       |
| <b>Preferred Shares – Series F</b> | <b>4,964,860 (₱1.00 par value)</b>     | <b>None</b>                       |

11. Are any or all of the securities listed on the Philippine Stock Exchange?

**YES [ X ]**

**NO [ ]**

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange – ALL Outstanding Common Shares and Preferred Shares Series D and F ONLY.

12. Indicate by check mark whether the registrant :

(a) has filed all reports required to be filed by Section 11 of the Revised Securities Act (RSA) and RSA Rule (a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports).

**YES [ X ]**

**NO [ ]**

(b) has been subject to such filing requirements for the past 90 days.

**YES [ X ]**

**NO [ ]**

## PART I - FINANCIAL INFORMATION

### Item 1. Financial Statements

*See attached.*

### Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

*See attached.*

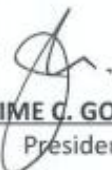
## PART II - OTHER INFORMATION

There are no other information for the period not previously reported in SEC Form 17-C.

## SIGNATURES

Pursuant to the requirements of the Revised Securities Act, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer : **ARTHALAND CORPORATION**

Signature and Title :   
JAIME C. GONZÁLEZ  
President

Signature and Title :   
MARIVIC S. VICTORIA  
Chief Finance Officer

Date : October 29, 2025

## ITEM 1. Financial Statements Required under SRC RULE 68.1

1. Basic and Diluted Earnings per Share (See attached Income Statement).
2. The accompanying interim consolidated financial statements of **Arthaland Corporation (ALCO)** were prepared in accordance with accounting principles generally accepted in the Philippines as set forth in Philippine Financial Reporting Standards (PFRS) and Philippine Accounting Standards (PAS).
3. Notes to Financial Statements:
  - a. The accompanying interim consolidated financial statements of **ALCO** were prepared in accordance with PFRS. The financial statements have been prepared using the historical cost basis, except for investment properties and certain financial instruments that are measured at fair values, and net retirement liability which is carried at the present value of the defined benefit obligation at the end of the reporting period. The interim consolidated financial statements are presented in Philippine Pesos.
  - b. There is no significant seasonality or cycle of interim operations.
  - c. There are no material events subsequent to the end of the interim period not previously reported in SEC form 17-C.
  - d. Except as otherwise disclosed separately and mentioned in the general information in this Report, there are no changes in the composition of the issuer during the interim period including business combinations, acquisition of subsidiaries and long-term investments, restructurings and discontinuing operations.
  - e. There are no material changes in the contingent liabilities or contingent assets since the last annual balance sheet date.
  - f. There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.
  - g. Except as otherwise disclosed separately and excluding those projects already in ALCO's pipeline as outlined in this Report, there are no other material commitments for capital expenditures since the last annual balance sheet date.
  - h. Except as otherwise disclosed separately and mentioned in the analysis of financial risks in this Report, there are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations. There is no foreseen event that will cause a material change in the relationship between costs and revenues.
  - i. There are no material off-balance sheet transactions, arrangements, obligations and other relationship of the company with unconsolidated entities or other persons created during the reporting period.

**ARTHALAND CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF SEPTEMBER 30, 2025 AND DECEMBER 31, 2024**

|                                                                    |      | SEPTEMBER 30, 2025<br>(UNAUDITED) | DECEMBER 31, 2024<br>(AUDITED) |
|--------------------------------------------------------------------|------|-----------------------------------|--------------------------------|
|                                                                    | Note |                                   |                                |
| <b>ASSETS</b>                                                      |      |                                   |                                |
| Cash and cash equivalents                                          | 4    | ₱ 1,855,229,449                   | ₱ 4,045,963,662                |
| Financial assets at fair value through profit or loss (FVPL)       | 5    | 1,030,047,237                     | 1,895,958,320                  |
| Receivables                                                        | 6    | 2,690,537,292                     | 1,771,675,289                  |
| Contract assets                                                    | 7    | 8,398,459,582                     | 7,625,261,813                  |
| Real estate for sale                                               | 8    | 12,513,148,241                    | 7,271,174,737                  |
| Investment properties                                              | 9    | 15,872,967,210                    | 14,590,019,555                 |
| Property and equipment                                             | 10   | 299,834,782                       | 301,618,461                    |
| Other assets                                                       | 11   | 3,446,356,949                     | 3,040,062,731                  |
|                                                                    |      | <b>₱46,106,580,742</b>            | <b>₱40,541,734,568</b>         |
| <b>LIABILITIES AND EQUITY</b>                                      |      |                                   |                                |
| <b>Liabilities</b>                                                 |      |                                   |                                |
| Accounts and other payables                                        | 12   | ₱6,839,583,656                    | ₱4,262,192,735                 |
| Loans payable                                                      | 13   | 18,085,671,653                    | 12,476,024,751                 |
| Bonds payable                                                      | 14   | 2,964,203,570                     | 5,955,532,419                  |
| Contract liabilities                                               | 7    | 548,041,948                       | 428,492,840                    |
| Advances from non-controlling interests                            | 15   | 920,519,597                       | 1,010,119,597                  |
| Net retirement liability                                           | 22   | 51,531,485                        | 27,371,514                     |
| Net deferred tax liabilities                                       | 23   | 2,398,482,082                     | 2,129,697,872                  |
| Total Liabilities                                                  |      | <b>31,808,033,991</b>             | <b>26,289,431,728</b>          |
| <b>Equity Attributable to Equity Holders of the Parent Company</b> |      |                                   |                                |
|                                                                    | 16   |                                   |                                |
| Capital stock                                                      |      | 1,004,721,996                     | 1,004,721,996                  |
| Additional paid-in capital                                         |      | 6,464,321,710                     | 6,464,321,710                  |
| Treasury stock – at cost                                           |      | (1,000,000,000)                   | (1,000,000,000)                |
| Parent Company's preferred shares held by a subsidiary - at cost   |      | (26,500,000)                      | (26,500,000)                   |
| Retained earnings                                                  |      | 5,243,224,821                     | 5,263,177,339                  |
| Other equity reserves                                              |      | 208,982,963                       | 208,982,963                    |
|                                                                    |      | <b>11,894,751,490</b>             | <b>11,914,704,008</b>          |
| <b>Non-controlling Interests</b>                                   | 15   | <b>2,403,795,261</b>              | <b>2,337,598,832</b>           |
| Total Equity                                                       |      | <b>14,298,546,751</b>             | <b>14,252,302,840</b>          |
|                                                                    |      | <b>₱46,106,580,742</b>            | <b>₱40,541,734,568</b>         |

See accompanying Notes to Consolidated Financial Statements.

**ARTHALAND CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2025 AND 2024**

|                                                              | Note | SEPTEMBER 30, 2025<br>(UNAUDITED) | SEPTEMBER 30, 2024<br>(UNAUDITED) |
|--------------------------------------------------------------|------|-----------------------------------|-----------------------------------|
| REVENUES                                                     | 17   | ₱3,931,382,592                    | ₱4,531,038,634                    |
| COST AND EXPENSES                                            | 18   | 2,340,026,609                     | 3,217,432,863                     |
| GROSS INCOME                                                 |      | 1,591,355,983                     | 1,313,605,771                     |
| OPERATING EXPENSES                                           | 19   | 1,238,595,153                     | 1,035,413,862                     |
| INCOME FROM OPERATIONS                                       |      | 352,760,830                       | 278,191,909                       |
| NET GAIN ON CHANGE IN FAIR VALUE OF<br>INVESTMENT PROPERTIES |      | 1,274,832,181                     | 1,513,644,438                     |
| FINANCE COSTS                                                | 20   | (1,114,029,356)                   | (1,091,635,477)                   |
| OTHER INCOME – Net                                           | 21   | 144,889,543                       | 370,136,203                       |
| INCOME BEFORE INCOME TAX                                     |      | 658,453,198                       | 1,070,337,073                     |
| PROVISION FOR INCOME TAX                                     | 23   | 292,845,530                       | 279,851,921                       |
| NET INCOME                                                   |      | 365,607,668                       | 790,485,152                       |
| OTHER COMPREHENSIVE INCOME                                   |      | -                                 | -                                 |
| <b>TOTAL COMPREHENSIVE INCOME</b>                            |      | <b>₱365,607,668</b>               | <b>₱790,485,152</b>               |
| <b>NET INCOME ATTRIBUTABLE TO:</b>                           |      |                                   |                                   |
| Equity holders of the Parent Company                         |      | ₱315,261,739                      | ₱593,200,967                      |
| Non-controlling interests                                    |      | 50,345,929                        | 197,284,185                       |
|                                                              |      | <b>₱365,607,668</b>               | <b>₱790,485,152</b>               |
| <b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>           |      |                                   |                                   |
| Equity holders of the Parent Company                         |      | ₱315,261,739                      | ₱593,200,967                      |
| Non-controlling interests                                    |      | 50,345,929                        | 197,284,185                       |
|                                                              |      | <b>₱365,607,668</b>               | <b>₱790,485,152</b>               |
| <b>EARNINGS PER SHARE</b>                                    | 26   |                                   |                                   |
| Basic and diluted                                            |      | ₱0.0082                           | ₱0.0796                           |

*See accompanying Notes to Consolidated Financial Statements.*

**ARTHALAND CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

|                                                                      | JULY 1 to<br>SEPTEMBER 30, 2025<br>(UNAUDITED) | JULY 1 to<br>SEPTEMBER 30, 2024<br>(UNAUDITED) |
|----------------------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>REVENUES</b>                                                      | <b>₱1,721,701,000</b>                          | <b>₱1,959,926,830</b>                          |
| <b>COST AND EXPENSES</b>                                             | <b>1,103,456,976</b>                           | <b>1,484,131,463</b>                           |
| <b>GROSS INCOME</b>                                                  | <b>618,244,024</b>                             | <b>475,795,367</b>                             |
| <b>OPERATING EXPENSES</b>                                            | <b>417,170,453</b>                             | <b>372,457,777</b>                             |
| <b>INCOME FROM OPERATIONS</b>                                        | <b>201,073,571</b>                             | <b>103,337,590</b>                             |
| <b>NET GAIN ON CHANGE IN FAIR VALUE OF<br/>INVESTMENT PROPERTIES</b> | <b>441,051,273</b>                             | <b>635,845,729</b>                             |
| <b>FINANCE COSTS</b>                                                 | <b>(427,487,344)</b>                           | <b>(378,506,824)</b>                           |
| <b>OTHER INCOME – Net</b>                                            | <b>39,838,864</b>                              | <b>72,376,851</b>                              |
| <b>INCOME BEFORE INCOME TAX</b>                                      | <b>254,476,364</b>                             | <b>433,053,346</b>                             |
| <b>PROVISION FOR INCOME TAX</b>                                      | <b>128,973,510</b>                             | <b>109,432,281</b>                             |
| <b>NET INCOME</b>                                                    | <b>125,502,854</b>                             | <b>323,621,065</b>                             |
| <b>OTHER COMPREHENSIVE INCOME</b>                                    | <b>-</b>                                       | <b>-</b>                                       |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                    | <b>₱125,502,854</b>                            | <b>₱323,621,065</b>                            |
| <b>NET INCOME ATTRIBUTABLE TO:</b>                                   |                                                |                                                |
| Equity holders of the Parent Company                                 | <b>₱105,210,978</b>                            | <b>₱320,154,527</b>                            |
| Non-controlling interests                                            | <b>20,291,876</b>                              | <b>3,466,538</b>                               |
|                                                                      | <b>₱125,502,854</b>                            | <b>₱323,621,065</b>                            |
| <b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>                   |                                                |                                                |
| Equity holders of the Parent Company                                 | <b>₱105,210,978</b>                            | <b>₱320,154,527</b>                            |
| Non-controlling interests                                            | <b>20,291,876</b>                              | <b>3,466,538</b>                               |
|                                                                      | <b>₱125,502,854</b>                            | <b>₱323,621,065</b>                            |
| <b>EARNINGS PER SHARE</b>                                            |                                                |                                                |
| Basic and diluted                                                    | <b>₱0.0028</b>                                 | <b>₱0.0517</b>                                 |

*See accompanying Notes to Consolidated Financial Statements.*

**ARTHALAND CORPORATION AND SUBSIDIARIES**

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**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE PERIOD ENDED SEPTEMBER 30, 2025 AND 2024**

|                                                                             | Note | SEPTEMBER 30, 2025<br>(UNAUDITED) | SEPTEMBER 30, 2024<br>(UNAUDITED) |
|-----------------------------------------------------------------------------|------|-----------------------------------|-----------------------------------|
| <b>CAPITAL STOCK</b>                                                        |      |                                   |                                   |
| Common - at ₱0.18 par value                                                 | 16   |                                   |                                   |
| Issued and outstanding                                                      |      | <b>₱957,257,136</b>               | <b>₱957,257,136</b>               |
| Preferred - at ₱1.00 par value                                              |      |                                   |                                   |
| Balance at beginning of period                                              |      | <b>47,464,860</b>                 | 48,500,000                        |
| Issuance of preferred shares                                                |      | -                                 | 14,000,000                        |
| Retirement of shares                                                        |      | -                                 | (20,000,000)                      |
| Balance at end of period                                                    |      | <b>47,464,860</b>                 | 42,500,000                        |
|                                                                             |      | <b>1,004,721,996</b>              | 999,757,136                       |
| <b>ADDITIONAL PAID-IN CAPITAL</b>                                           |      |                                   |                                   |
| Balance at beginning of period                                              | 16   | <b>6,464,321,710</b>              | 5,973,360,513                     |
| Retirement of shares                                                        |      | -                                 | (1,956,441,541)                   |
| Balance at end of period                                                    |      | <b>6,464,321,710</b>              | 4,016,918,972                     |
| <b>TREASURY STOCK – at cost</b>                                             |      |                                   |                                   |
|                                                                             | 16   | <b>(1,000,000,000)</b>            | (1,000,000,000)                   |
| <b>PARENT COMPANY'S PREFERRED SHARES HELD BY A<br/>SUBSIDIARY - at cost</b> |      |                                   |                                   |
|                                                                             | 16   | <b>(26,500,000)</b>               | (26,500,000)                      |
| <b>RETAINED EARNINGS</b>                                                    |      |                                   |                                   |
| Balance at beginning of period                                              | 16   | <b>5,263,177,339</b>              | 5,547,760,292                     |
| Effect of adoption of PIC Q&A and IFRIC Agenda Decision                     | 2    | -                                 | (508,211,829)                     |
| Balance at beginning of period, as restated                                 |      | <b>5,263,177,339</b>              | 5,039,548,463                     |
| Net income for the period                                                   |      | <b>315,261,739</b>                | 593,200,967                       |
| Retirement of shares                                                        |      | -                                 | (23,558,459)                      |
| Dividends declared during the period                                        |      | <b>(335,214,257)</b>              | (233,455,142)                     |
| Balance at end of period                                                    |      | <b>5,243,224,821</b>              | 5,375,735,829                     |
| <b>OTHER EQUITY RESERVES</b>                                                |      |                                   |                                   |
| Balance at beginning and end of period                                      | 16   | <b>208,982,963</b>                | 216,566,831                       |
| <b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT<br/>COMPANY</b>      |      |                                   |                                   |
|                                                                             |      | <b>₱11,894,751,490</b>            | <b>₱9,582,478,768</b>             |
| <b>NON-CONTROLLING INTERESTS</b>                                            |      |                                   |                                   |
| Balance at beginning of period                                              | 15   | <b>2,337,598,832</b>              | 2,385,227,013                     |
| Effect of adoption of PIC Q&A and IFRIC Agenda Decision                     | 2    | -                                 | (125,757,736)                     |
| Balance at beginning of period, as restated                                 |      | <b>2,337,598,832</b>              | 2,259,469,277                     |
| Subscription to a subsidiary                                                |      | <b>15,850,500</b>                 | 30,000,000                        |
| Share in net income during the period                                       |      | <b>50,345,929</b>                 | 197,284,185                       |
| Increase in deposits for future stock subscription for the period           |      | -                                 | 14,794,319                        |
| Dividends attributable to non-controlling interests                         |      | -                                 | (196,000,000)                     |
| Balance at end of period                                                    |      | <b>2,403,795,261</b>              | 2,305,547,781                     |
|                                                                             |      | <b>₱14,298,546,751</b>            | <b>₱11,888,026,549</b>            |

*See accompanying Notes to Consolidated Financial Statements.*

**ARTHALAND CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2025 AND 2024**

|                                                                         |      | SEPTEMBER 30, 2025 | SEPTEMBER 30, 2024 |
|-------------------------------------------------------------------------|------|--------------------|--------------------|
|                                                                         | Note | (UNAUDITED)        | (UNAUDITED)        |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                             |      |                    |                    |
| Income before income tax                                                |      | ₱658,453,198       | ₱1,070,337,073     |
| Adjustments for:                                                        |      |                    |                    |
| Gain on change in FV of investment properties                           | 9    | (1,274,832,181)    | (1,513,644,438)    |
| Interest expense                                                        | 20   | 1,091,612,979      | 1,088,484,740      |
| Realized holding gains                                                  | 21   | (86,233,824)       | (53,725,728)       |
| Interest income                                                         | 21   | (64,596,672)       | (217,573,557)      |
| Depreciation and amortization                                           | 19   | 47,879,449         | 50,425,940         |
| Retirement expense                                                      | 22   | 24,159,971         | 19,457,559         |
| Amortization of initial direct leasing costs                            |      | 4,058,820          | 3,272,457          |
| Unrealized holding losses (gains)                                       | 21   | 3,122,082          | (11,999,799)       |
| Foreign exchange losses                                                 | 21   | 178,758            | 780,403            |
| Gain on sale of investment property                                     | 21   | -                  | (47,244,161)       |
| Operating income before working capital changes                         |      | 403,802,580        | 388,570,489        |
| Decrease (Increase) in:                                                 |      |                    |                    |
| Receivables                                                             |      | (918,862,003)      | 173,914,283        |
| Contract assets                                                         |      | (773,197,769)      | (2,446,845,058)    |
| Real estate for sale                                                    |      | (5,241,973,504)    | 103,869,749        |
| Other assets                                                            |      | (203,008,456)      | (651,269,508)      |
| Increases in:                                                           |      |                    |                    |
| Accounts and other payables                                             |      | 2,577,390,922      | 808,287,649        |
| Contract liabilities                                                    |      | 119,549,108        | 215,904,996        |
| Net cash used in operations                                             |      | (4,036,299,122)    | (1,407,567,400)    |
| Interest received                                                       | 21   | 64,596,672         | 217,573,557        |
| Income taxes paid                                                       |      | (227,347,084)      | (170,223,976)      |
| Net cash used in operating activities                                   |      | (4,199,049,534)    | (1,360,217,819)    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                             |      |                    |                    |
| Proceeds from disposal of:                                              |      |                    |                    |
| Financial assets at FVPL – net                                          |      | 949,022,825        | -                  |
| Investment properties                                                   |      | -                  | 47,244,165         |
| Additions to:                                                           |      |                    |                    |
| Financial assets at FVPL – net                                          |      | -                  | (1,550,924,215)    |
| Property and equipment                                                  |      | (46,095,770)       | (42,284,172)       |
| Investment properties                                                   |      | (12,174,290)       | -                  |
| Net cash generated from (used in) investing activities                  |      | 890,752,765        | (1,545,964,222)    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                             |      |                    |                    |
| Proceeds from:                                                          |      |                    |                    |
| Loans payable                                                           |      | 14,015,473,339     | 7,301,305,670      |
| Sale of interest in subsidiary                                          |      | 15,850,500         | 30,000,000         |
| Deposits for future stock subscription from non-controlling interest    |      | -                  | 14,794,319         |
| Payments of:                                                            |      |                    |                    |
| Loans payable                                                           |      | (8,372,260,016)    | (5,062,885,589)    |
| Bonds payable                                                           |      | (3,000,000,000)    | -                  |
| Advances from subsidiary                                                |      | (89,600,000)       | (92,000,000)       |
| Dividends                                                               |      | (335,214,260)      | (375,874,297)      |
| Finance costs                                                           |      | (1,116,508,249)    | (1,066,051,945)    |
| Redemption of preferred shares                                          |      | -                  | (1,000,000,000)    |
| Net cash generated from (used in) financing activities                  |      | 1,117,741,314      | (250,711,842)      |
| <b>NET EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS</b> |      |                    |                    |
|                                                                         |      | (178,758)          | (780,403)          |
| <b>NET DECREASES IN CASH &amp; CASH EQUIVALENTS</b>                     |      | (2,190,734,213)    | (3,157,674,286)    |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>                 |      | 4,045,963,662      | 5,605,296,553      |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>                       |      | ₱1,855,229,449     | ₱2,447,622,267     |

See accompanying Notes to Consolidated Financial Statements.

**ARTHALAND CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. GENERAL INFORMATION**

**Corporate Information**

Arthaland Corporation (the Parent Company or ALCO) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 10, 1994. ALCO's common shares and Series D and Series F Preferred shares are listed for trading in the Philippine Stock Exchange (PSE). The Parent Company is primarily engaged in real estate development and leasing.

The Parent Company is currently 37.94% owned by CPG Holdings, Inc. (CPG) and 26.02% owned by AO Capital Holdings 1, Inc. (AOCH1), both holding companies incorporated in the Philippines.

In December 2023, the Board of Directors of the Parent Company approved the amendment of the Articles of Incorporation to increase its authorized capital stock by ₱50.0 million. This was approved by the stockholders during a Special Stockholders' Meeting on January 31, 2024, and subsequently approved by the SEC on August 14, 2024.

On November 14, 2024, ALCO issued to the public 4,964,860 Preferred shares, which are cumulative, non-voting, non-participating, non-convertible, and Peso-denominated, among other conditions (the "Preferred Shares Series F").

The registered office and principal place of business of the Parent Company is located at 7/F Arthaland Century Pacific Tower, 5th Avenue corner 30th Street, Bonifacio Global City (BGC), Taguig City.

**Composition of the Group**

The consolidated financial statements include the Parent Company and the following subsidiaries (collectively referred herein as "the Group"):

| Subsidiary                                         | Place of Incorporation | Effective Percentage of Ownership |
|----------------------------------------------------|------------------------|-----------------------------------|
| Cazneau, Inc. (Cazneau)                            | Philippines            | 100%                              |
| Cebu Lavana Land Corp. (CLLC)                      | Philippines            | 100%                              |
| Manchesterland Properties, Inc. (MPI)              | Philippines            | 100%                              |
| Urban Property Holdings, Inc. (UPHI)               | Philippines            | 100%                              |
| Zileya Land Development Corporation (ZLDC)         | Philippines            | 100%                              |
| Pradhana Land, Inc. (PLI)                          | Philippines            | 100%                              |
| Arthaland Property Prestige Solutions, Inc. (APPS) | Philippines            | 100%                              |
| Sotern Land Corporation (SLC)                      | Philippines            | 100%                              |
| Furusato Land Corporation (FLC) *                  | Philippines            | 100%                              |
| Bhavana Properties, Inc. (Bhavana)                 | Philippines            | 60%                               |
| Bhavya Properties, Inc. (Bhavya)                   | Philippines            | 60%                               |
| Kashtha Holdings, Inc. (KHI)                       | Philippines            | 60%                               |
| Savya Land Development Corporation (SLDC)          | Philippines            | 59%**                             |

\* incorporated May 14, 2025

\*\*indirectly owned through KHI

All of the subsidiaries were established to engage primarily either in real estate development or property leasing, except for APPS which is a property management company and KHI which is an investment holding company.

## **FLC**

FLC was incorporated on May 14, 2025. The BOD of the parent company approved the subscription to 50.0 million common shares of FLC at the subscription price of ₱1.0 per share or a total amount of ₱50.0 million.

## **SLC**

SLC was incorporated on April 22, 2024 and on the same date, ALCO subscribed to 25.0 million common shares of SLC with a subscription price of ₱1.0 per share for ₱25.0 million.

### **ALCO's Acquisition of Preferred Shares**

In March 2024, ALCO subscribed to 450,000 preferred shares of Bhavya at the price of ₱100 per share for a total of ₱45.0 million. Moreover, in October and December 2024, the Company subscribed to an additional 360,000 preferred shares at the price of ₱100.0 per share for ₱36.0 million.

On June 28, 2024, ALCO paid an amount of ₱25.0 million for 6.3 million preferred shares of Cazneau with a subscription price of ₱4.0 per share.

On August 6, 2024, ALCO entered into a subscription agreement to subscribe to 5.0 million redeemable preferred shares of SLC, at a subscription price of ₱100 per share for a total of ₱500.0 million. ALCO paid ₱295.0 million for 2.95 million shares.

On October 16, 2024, ALCO entered into a subscription agreement to subscribe to 17.0 million preferred shares of PLI for ₱100.0 per share for a total of ₱1,700.0 million. ALCO paid ₱100.0 million for 1.0 million shares.

In December 2024, ALCO subscribed to 270,000 preferred shares of Bhavana at the price of ₱100.0 per share for ₱27.0 million.

On January 22, 2025, ALCO approved its subscription to 7.1 million Preferred Shares Series B of ZLDC at a subscription price of ₱100 per share for a total of ₱710.0 million.

On January 27, 2025, ZLDC's BOD approved the proposal to amend its AOI to increase its authorized capital stock by 20.0 million through the creation of 20.0 million Preferred Shares Series B with ₱1 par value. ZLDC's existing 0.5 million non-redeemable, non-cumulative and voting preferred shares with ₱100 par value will be reclassified as Preferred Shares Series A. On September 2, 2025, the SEC approved ZLDC's application for capital increase.

In May 2025, ALCO approved its subscription to 4.5 million Preferred Shares of FLC at a subscription price of ₱100 per share for a total of ₱450.0 million.

On June 27, 2025, ALCO approved its subscription to 7.7 million Preferred Shares Series B of ZLDC at a subscription price of ₱100 per share for a total of ₱765.5 million.

On August 06, 2025, ALCO's BOD approved the following resolutions:

- Subscription to 7.5 million Preferred Shares of SLC at a subscription price of ₱100.0 per share for a total of ₱750.0 million. As of the reporting date, ALCO paid ₱622 million to SLC. The remaining balance, or the total amount of ₱128 million, will be fully paid no later than December 31, 2025.
- Subscription to 5.0 million Preferred Shares of FLC at a subscription price of ₱100.0 per share for a total of ₱500.0 million. As of the reporting date, ALCO paid ₱450 million to FLC. The remaining balance, or total amount of ₱50 million, will be fully paid no later than December 31, 2025.
- Cancellation of its subscription to 7,655,000 million Preferred Shares Series B of ZLDC at a subscription price of ₱100.0 per share for a total of ₱765.5 million given that the application to

amend ZLDC's Article of Incorporation to increase its capital stock by 20 million Preferred Shares Series B was yet to be approved by the SEC. The cancellation was effective on July 29, 2025. On September 22, 2025, the SEC approved the foregoing application.

## **Major Projects**

### **Arya Residences**

ALCO's first major development project is the Arya Residences towers 1 and 2 located in BGC, Taguig City. Completed in 2016, it is the first high-end residential condominium in the Philippines to be awarded with Leadership in Energy and Environmental Design™ (LEED) Gold certification by the US Green Building Council (USGBC) and Building for Ecologically Responsive Design Excellence (BERDE) 4-Star rating by the Philippine Green Building Council (PHILGBC). In 2020, it was further recognized with a 3-Star certification under PHILGBC's Advancing Net Zero/PH program. Most recently, in 2025, Arya Residences achieved the WELL Health-Safety Rating from the International WELL Building Institute™ (IWBI).

### **Arthaland Century Pacific Tower (ACPT)**

ACPT, ALCO's flagship office project in BGC, was constructed starting in 2014 and completed in 2019. Designed by Skidmore, Owings & Merrill (SOM), it is a 30-storey AAA-grade office building. ACPT is the first in the Philippines to earn dual certifications: LEED Platinum and 5-Star BERDE in 2018. It is also registered as a PEZA Ecozone Facilities Enterprise (see Note 23).

In 2019, ACPT became the world's first net zero certified building under the International Finance Corporation's (IFC) Excellence in Design for Greater Efficiencies (EDGE) rating system. This milestone complemented its earlier LEED and BERDE certifications. Since 2020, it has also earned Net Zero Energy from PHILGBC's Advancing Net Zero/PH program and WELL HSR from IWBI, recognizing its strong operational standards for health and safety.

### **Cebu Exchange Tower**

CebEx, a 38-storey office development by CLLC located in Barangay Lahug, Cebu City, was launched in 2016 and completed in 2023. Spanning 108,564 square meters and featuring four retail floors, it stands as the largest multi-certified green and healthy building in the Philippines, designed to provide a world-class workplace environment. It holds LEED Gold, EDGE Advanced, and BERDE 5-Star certifications, WELL HSR, along with WELL precertification, and is on track to achieve EDGE Zero Carbon certification.

### **Sevina Park Projects**

In 2018, Cazneau began construction of the first phase of Sevina Park, an eight-hectare integrated community located in Laguna. The initial development, Courtyard Hall, spans 4,000 square meters (sqm) and is a campus-style residential community designed to serve the student and faculty population. It was completed in June 2019.

Also in June 2019, Cazneau launched the Sevina Park Villas, designed to cater to starter families in the area. The villas are being completed in phases from 2021 to 2026. The 4-bedroom villa model unit achieved LEED Platinum certification, with all other 4-bedroom villas on track for LEED certification. Meanwhile, all 2- and 3-bedroom villas, including 4-bedroom villas have achieved EDGE Advanced preliminary certification.

Sevina Park is the first and only development in the Philippines to receive LEED Platinum certification under the LEED for Neighborhood Development (LEED ND) rating system. It is also one of the pioneering projects to earn a BERDE 5-Star certification under the BERDE for Districts framework.

In September 2022, Cazneau launched Una Apartments Tower 1, a mid-rise residential building designed for resource efficiency. It offers savings on water and electricity and features an advanced ventilation system that improves indoor air quality by filtering outdoor air and regulating humidity, wellness-focused amenities, including a potager garden that support a healthy lifestyle. The tower targets LEED, BERDE, EDGE, and WELL certifications. It is expected to be completed by 4<sup>th</sup> quarter of 2026. Tower 2 was

launched in 2023 and Tower 3 will be launched in the 4<sup>th</sup> quarter of 2025. Additional mid-scale and upscale residential towers are also being planned for future developments.

#### **Savya Financial Center**

In February 2019, SLDC launched the development of Savya Financial Center. This project comprises two office towers with a gross floor area of 59,763 sqm and located in Arca South, Taguig City. The North and South Towers were completed in 2023. The project received LEED Gold precertification in 2019, WELL precertification in 2021, WELL HSR since 2024, EDGE Advanced Preliminary in 2024, and WiredScore Gold in 2024. It is on track to achieve its BERDE and EDGE Zero Carbon certifications.

#### **Eluria Residences**

In 2019, Bhavya acquired a property in Makati CBD to develop Eluria, a 14,600-sqm, low-density, ultra-luxury residential project with 37 designer residences. It received LEED Gold precertification in 2020 and is on track for EDGE, WELL, and BERDE certifications, with completion expected in 2026.

#### **Lucima Residences**

In July 2021, Bhavana launched the development of Lucima, the first and only premiere, multi-certified, sustainable high-rise development located in Cebu Business Park at the Corner of Samar Loop Road and Cardinal Rosales. Lucima is being developed on a 2,245 sqm tract of land with approximately 28,000 sqm of GFA and 265 residential units. The project was awarded LEED Gold precertification in 2020 and is on-track to achieve BERDE, EDGE, and WELL certifications. Handover to buyers will commence within the fourth quarter of 2025.

#### **Project Teal**

ALCO, through Sotern Land Corporation, completed the acquisition of a 3,700 sqm property located along Katipunan Avenue and intends to develop a sustainable two-tower, high-rise residential condominium. In August 2025, Sotern launched “LIV North”, and the first tower in the development with expected completion in 2031.

#### **Project Rock**

In June 2025, ZLDC acquired 98% ownership of a 2,018-sqm property on Antonio Arnaiz Avenue in Makati CBD. The Company plans to develop the land into a high-rise luxury, sustainable, multi-certified residential project through LEED, BERDE, EDGE, and WELL green building certifications. The Company anticipates launching this project by the fourth quarter of 2025.

#### **Project Vanilla**

ALCO, through its wholly owned subsidiary, Furusato Land Corporation, purchased 50% interest in fourteen parcels of land with an aggregate area of 50,758 square meters, all located in Banilad Road, Cebu City. The acquisition program was structured so that each of Furusato and its co-buyers will own 50% of the property after completion of the masterplan and site development works. Further, the acquisition program is expected to be completed between 2025 to 2028 to manage the funding requirements.

ALCO plans to develop the property over multiple phases to provide a steady pipeline of projects which will contribute to the revenues of ALCO over the long-term. Project Vanilla is envisioned to be a sustainable master planned community and will include six residential condominium towers. ALCO expects to launch the towers in phases from 2026 to 2037. Completion of the towers is likewise expected to be achieved in phases beginning 2031.

#### **Project Olive**

ALCO is in the final phase of the acquisition of property with a gross land area of 3.6 hectares located at the entry of one of the most prime CBDs in Metro Manila. The general area of the property is expected to benefit substantially from upcoming public infrastructure. The property is expected to result in 2.6 hectares of land, net of road lots. ALCO intends to complete the acquisition in phases which will allow it to manage funding requirements over time. ALCO plans to develop the property into a boutique, LEED certified sustainable master planned mixed-use community through PLI. Based on initial plans, the Project will

feature twelve residential towers that will cater to both the upscale and midscale markets as well as some retail or commercial segment to support the residents of the area.

### **Approval of the Interim Consolidated Financial Statements**

The interim consolidated financial statements of the Group as at and for the nine (9) months ended September 30, 2025 were approved and authorized for issue by the Board of Directors (BOD) on October 29, 2025.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Preparation**

The interim consolidated financial statements as of September 30, 2025 and December 31, 2024 and for the nine months ended September 30, 2025 and 2024 have been prepared in compliance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*. They do not include all of the information and disclosures required in the annual audited consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended December 31, 2024.

### **Measurement Bases**

The interim consolidated financial statements are presented in Philippine Peso, the Group's functional currency. All values are stated in absolute amounts, unless otherwise indicated.

The interim consolidated financial statements of the Group have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVPL) and investment properties, which are carried at fair value, net retirement liability which is carried at the present value of the defined benefit obligation less the fair value of plan assets, and lease liabilities which are initially carried at the present value of future lease payments. Historical cost is generally based on the fair value of the consideration given in exchange for an asset or fair value of consideration received in exchange for incurring liability.

### **Adoption of Amendments to PFRS**

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following amendments to PFRS Accounting Standards which the Group adopted effective for annual periods beginning on or after January 1, 2024:

- Amendments to PAS 1, *Noncurrent Liabilities with Covenants* – The amendments clarified that covenants to be complied with after the reporting date do not affect the classification of debt as current or noncurrent at the reporting date. Instead, the amendments require the entity to disclose information about these covenants in the notes to the financial statements.  
The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Group shall also apply Amendments to PAS 1 - Classification of Liabilities as Current or Noncurrent for that period.
- SEC Memorandum Circular No. 34, Series of 2020 - Deferral of PIC Q&A No. 2018-12 (as Amended by PIC Q&A 2020-4) and IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*) for Real Estate Industry, of which the Group availed the relief on the deferral of application until December 31, 2023:
  - PIC Q&A 2018-12-D, Assessing Whether the Transaction Price Includes a Significant Financing Component (as Amended by PIC Q&A 2020-4) – The PIC Q&A provided guidance on the assessment whether the transaction price constitute a significant financing component in arising from a mismatch between percentage of completion (POC) and schedule of payments, in accordance with PFRS Accounting Standards 15, Revenue from Contracts with Customers. On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS Accounting Standard 15 implementation issues affecting the real estate industry. On October 25, 2018, and February 8, 2019, the Philippine SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019 respectively, providing relief to the real estate industry by deferring the application of the

certain provisions of this PIC Q&A for a period of three (3) years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

- *PIC Q&A 2018-12-E, Treatment of Land in the Determination of the POC* – The PIC Q&A clarified that the cost of the land should be excluded in measuring the POC of performance obligation and should be accounted for as fulfillment cost.
- *IFRIC Agenda Decision Over Time Transfer of Constructed Goods for Real Estate Industry* - In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under paragraph 35(c) of International Financial Reporting Standards 15 (PFRS Accounting Standards 15). IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they not meet the definition of qualifying asset under PAS 23 considering that these inventories are ready for their intended sale in their current condition.

The IFRIC agenda decision would change the Group's current practice of capitalizing borrowing costs on real estate projects with pre-selling activities. On February 21, 2020, the Philippine SEC issued Memorandum Circular No. 4, Series of 2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Further, on December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the Real Estate Industry until December 31, 2023. After the deferral period, real estate companies have an accounting policy option of applying either the full retrospective approach or modified retrospective approach as provided under SEC MC 8-2021. Beginning January 1, 2024, the Group adopted the PIC Q&A No. 2018-12 using the modified retrospective approach. Accordingly, the comparative information presented for 2023 and 2022 was not restated. The effect of the adoption of PIC Q&A No. 2018-12 is as follows:

As at January 1, 2024, the effects of adoption are as follows:

|                            | Carrying Amount as<br>at January 1, 2024 | Effect of Adoption | As Restated     |
|----------------------------|------------------------------------------|--------------------|-----------------|
| Real estate for sale       | ₱7,548,831,703                           | (₱332,742,290)     | ₱7,216,089,413  |
| Contract assets            | 5,608,780,240                            | (505,970,191)      | 5,102,810,049   |
| Prepaid commission         | 67,031,285                               | 14,266,995         | 81,298,280      |
| Net deferred tax liability | (2,092,857,227)                          | 184,653,344        | (1,908,203,883) |
| Noncontrolling interest    | (2,385,227,013)                          | 126,688,521        | (2,258,538,492) |
| Retained earnings          | (5,547,760,292)                          | 513,103,622        | (5,034,656,670) |

#### **New and Amended PFRS Accounting Standards in Issue But Not Yet Effective**

Relevant new and amended PFRS Accounting Standards, which are not yet effective as at September 30, 2025 and have not been applied in preparing the consolidated financial statements, are summarized below:

Effective for annual periods beginning on or after January 1, 2026:

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendments clarify that a financial liability is derecognized when the related obligation is discharged, cancelled, expires or otherwise qualifies for derecognition (e.g. settlement date), and introduces a policy option to derecognize financial liabilities settled through an electronic payment system before settlement date if the required conditions are met. The amendments also clarify the assessment of contractual cash flow characteristics of financial assets, the treatment of non-recourse loans and contractually linked instruments, as well as require additional disclosure requirements for financial assets and liabilities with contingent features and equity instruments classified FVOCI. Earlier application is permitted.

- Annual Improvements to PFRS Accounting Standards Volume 11: Amendments to PFRS 7, *Financial Instruments: Disclosures* – The amendments update and remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price. The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure. Earlier application is permitted.
  - Amendments to PFRS 9, *Financial Instruments* – Transaction Price and Lessee Derecognition of Lease Liabilities – The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee must apply the derecognition criteria for a financial liability which requires recognition of a gain or loss in profit or loss. The amendments also replace the reference to ‘transaction price as defined by PFRS 15, Revenue from Contracts with Customers’ to ‘the amount determined by applying PFRS 15’ to remove potential confusion. Earlier application is permitted.
  - Amendments to PAS 7, *Statement of Cash Flows - Cost Method* – The amendments replace the term ‘cost method’ with ‘at cost’ following the deletion of the definition of ‘cost method’. Earlier application is permitted.

Effective for annual periods beginning on or after January 1, 2027:

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out the requirements for the presentation and disclosure of information to help ensure that the financial statements provide relevant information that faithfully represents the entity’s assets, liabilities, equity, income and expenses. The standard introduces new categories and sub-totals in the statements of comprehensive income, disclosures on management-defined performance measures, and new principles for grouping of information, which the entity needs to apply retrospectively. Earlier application is permitted.

Under prevailing circumstances, the adoption of the foregoing new and amendments to PFRS Accounting Standards is not expected to have any material effect on the consolidated financial statements of the Group. Additional disclosures will be included in the consolidated financial statements, as applicable.

### **Basis of Consolidation**

**Subsidiaries.** Subsidiaries are entities controlled by the Parent Company. Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are consolidated from the date of acquisition or incorporation, being the date on which the Parent Company obtains control and continue to be consolidated until the date such control ceases. The results of operations of the subsidiaries acquired or disposed of during the period are included in the consolidated statements of comprehensive income from the date of acquisition or up to the date of disposal, as appropriate.

The financial statements of the subsidiaries are prepared using the same reporting period of the Parent Company. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. Intercompany balances and transactions, including intercompany profits and unrealized profits and losses, are eliminated in full.

A change in ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognized in profit or loss. If the Group retains interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently, it is accounted for as an equity-accounted investee or as financial assets at FVOCI depending on the level of influence retained.

Non-controlling interest represents the portion of profit or loss and net assets not held by the Parent Company and is presented separately in the Group's consolidated statements of comprehensive income and within equity in the Group's consolidated statements of financial position, separate from equity attributable to equity holders of the Parent Company, respectively.

#### **Financial Assets at Amortized Cost**

The Group's cash and cash equivalents, receivables (excluding accrued rent receivable), deposits, amounts held in escrow and amounts held in trust are classified as financial assets at amortized cost. These financial assets are measured at amortized cost less allowance for expected credit losses (ECL), if any. For trade receivables, the Group has applied the simplified approach and has calculated ECL based on the lifetime ECL. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Meanwhile, impairment of other financial assets at amortized cost is assessed based on potential liquidity of counterparties based on available financial information. Financial assets are derecognized when the right to receive cash flows from the asset has expired or the Group has transferred its right to receive cash flows from the financial asset.

#### **Financial Assets at FVPL**

The Group's investment in unit investment trust funds (UITF) are classified as financial assets at FVPL. These financial assets are measured at fair value at each reporting date, with any fair value gains or losses recognized in profit or loss to the extent that these are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset. Financial assets are derecognized when the right to receive cash flows from the asset has expired or the Group has transferred its right to receive cash flows from the financial asset.

#### **Financial Liabilities at Amortized Cost**

The Group's accounts and other payables (excluding statutory payables, advances from buyers and advance rent) loans payable, and bonds payable are classified as financial liabilities at amortized cost. The Group recognized financial liabilities at amortized cost when the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

#### **Contract Balance**

*Contract Assets.* A contract asset represents the Group's right to a consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than a passage of time. If the Group transferred goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for that earned consideration that is conditional. Contract assets are reclassified to receivables from sale of real estate upon completion of the performance obligation. Contract assets pertain to unbilled receivables from sale of office units which is computed based on POC.t

*Contract Liabilities.* A contract liability represents the Group's obligation to transfer goods to a customer for which the Group has received a consideration from the customer. If a customer pays a consideration before the Group transfers goods to the customer, a contract liability is recognized when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognized as revenue when the Group performs under the contract.

#### **Real Estate for Sale**

Real estate for sale pertains to property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, which is held as inventory and is measured at the lower of cost and net realizable value (NRV). In few cases of buyer defaults, the Group can repossess the properties and held it for sale in the ordinary course of business at the prevailing market price. The repossessed properties are included in the "Real estate for sale" account in the

statements of financial position. Repossessed assets are recorded at fair value less cost to repossess and are held for sale in the ordinary course of business. Costs incurred in bringing the repossessed assets to its marketable state are included in their carrying amounts unless these exceed the recoverable amounts.

Costs include acquisition costs plus any other directly attributable costs of developing the asset to its saleable condition and costs of improving the properties up to the reporting date. NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less estimated costs to complete and the estimated costs to sell. NRV in respect of real estate for sale under development is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete the construction and less an estimate of the time value of money to the date of completion.

### **Investment Properties**

Investment properties are properties held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business or for administrative purposes.

The Group uses fair value model for the accounting of its investment properties. Under this method, investment properties are initially measured at cost but are subsequently remeasured at fair value at each reporting date, which reflects market conditions at the reporting date. The fair value of investment properties is determined using market approach and cost approach by an independent real estate appraiser. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. For the purposes of these consolidated financial statements, in order to avoid double counting, the fair value reported in the consolidated financial statements is reduced by the carrying amount of any accrued income resulting from the spreading of lease incentives and minimum lease payments.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the ending of owner-occupation, commencement of an operating lease to another party or ending of the construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by the commencement of owner occupation or commencement of development with a view to sell.

Investment properties are derecognized when either those have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the consolidated statements of comprehensive income in the year of retirement or disposal.

### **Property and Equipment**

Property and equipment are carried at cost less accumulated depreciation and amortization and any impairment losses.

Depreciation and amortization are calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

|                                    | <u>Number of Years</u>                     |
|------------------------------------|--------------------------------------------|
| Building and building improvements | 50                                         |
| Transportation equipment           | 3 to 5                                     |
| Office equipment                   | 3 to 5                                     |
| Furniture and fixtures             | 3                                          |
| Leasehold improvements             | 3 to 5 or lease term, whichever is shorter |
| ROU asset                          | 3 to 5                                     |

The estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully-depreciated assets are retained in the account until they are no longer in use and no further change for depreciation is made in respect to those assets.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

### **Other Assets**

*Creditable Withholding Taxes (CWT).* CWT represents the amount withheld by the Group's customers in relation to its income. CWT can be utilized as payment for income taxes. These are carried at cost less any impairment in value.

*Advances for Project Development and Land Acquisition.* Advances for project development and land acquisition are recognized whenever the Group pays in advance for its purchase of land, goods or services. These are measured at transaction price less impairment in value, if any.

*Value-Added Tax (VAT).* Revenue, expenses and assets are generally recognized net of the amount of VAT except in cases where VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable, or receivables and payables that are stated with the amount of VAT included. The net amount of VAT recoverable from, or payable to, the tax authority is included a part of "Other assets" or "Accounts and other payables" accounts, respectively, in the consolidated statements of financial position.

*Prepayments.* Prepayments are expenses paid in advance and recorded as assets before these are utilized. Prepayments are apportioned over the period covered by the payment and charged to profit or loss when incurred. Prepayments that are expected to be realized for no more than 12 months after the reporting period are classified as current assets. Otherwise, these are classified as noncurrent assets.

*Prepaid Commission.* The Group recognizes an asset for the incremental cost of obtaining a contract with a customer if the Group expects to recover those costs. Otherwise, those costs are recognized as expense when incurred. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract such as, but not limited to, sales commissions paid to sales agents and non-refundable direct taxes incurred in obtaining a contract. Paid sales commissions are recognized as "Prepaid commission" under "Other assets" account and amortized consistent with the revenue recognition method of the Group. Amortization of sales commission is presented as part of "Operating expenses".

*Deferred Input VAT.* Deferred input VAT represents the unamortized amount of input VAT on capital goods and deferred input VAT for unbilled purchases.

In accordance with Revenue Memorandum Circular (RMC) No. 21-2022, the amortization of the input VAT shall only be allowed until December 31, 2021, after which taxpayers with unutilized input VAT on capital goods purchased or imported shall be allowed to apply the same as scheduled until fully utilized.

*Software and Licenses.* Software and licenses are stated at cost less accumulated amortization and any impairment losses. Software and licenses are being amortized on a straight-line basis over ten (10) years and amortization is recognized in profit or loss. Amortization period and amortization method is reviewed at each reporting date. Any change in the useful life of the asset or the expected pattern of consumption of the future economic benefits embodied in the asset is recognized prospectively.

### **Impairment of Nonfinancial Assets**

The carrying amounts of nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

**Advances from Buyers**

Advances from buyers consist of amounts received by the Group from its prospective buyers as downpayments. These are recorded at face amount in the consolidated statements of financial position. These will be applied against the total contract price of the real estate sale upon execution of contract to sell.

**Capital Stock**

*Common Stock.* Common stock is measured at par value for all shares issued.

*Preferred Stock.* The Group's preferred stocks are cumulative, nonvoting, nonparticipating and nonconvertible. Preferred stock is classified as equity if this is nonredeemable, or redeemable only at the Group's option, and any dividends thereon are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the BOD of the Parent Company.

Preferred stock is classified as a liability if this is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in profit or loss as accrued.

**Additional Paid-in Capital**

Additional paid-in capital is the proceeds and/or fair value of considerations received in excess of par value of the subscribed capital stock. Incremental costs incurred directly attributable to the issuance of new shares are recognized as deduction from equity, net of any tax. Otherwise, these are recognized as expense in profit or loss.

**Treasury Stock**

Treasury stock represents owner's equity instruments which are reacquired and deducted from equity. Treasury stocks are accounted for at cost and shown as a deduction in the equity section of the consolidated statements of financial position. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Parent Company's own equity instruments.

**Parent Company's Shares Held by a Subsidiary**

Shares of the Parent Company held by a subsidiary are carried at cost and are deducted from equity. No gain or loss is recognized on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

**Retained Earnings**

Retained earnings represent the cumulative balance of net income or loss, net of any dividend declaration and prior period adjustments.

**Other Comprehensive Income**

Other equity reserves comprise of items of income and expense that are not recognized in profit or loss for the period. This includes other comprehensive income (OCI) that pertains to cumulative remeasurement gains (losses) on net retirement asset (liability).

**Non-controlling Interests**

Non-controlling interests represent the portion of net results and net assets not held by the Parent Company. These are within equity presented in the consolidated statements of financial position, separately from equity attributable to equity holders of the Parent Company and are separately disclosed in the consolidated statements of income and consolidated statements of comprehensive income. Non-controlling interests consist of the amount of those interests at the date of original business combination and the non-controlling interests' share on changes in equity since the date of the business combination.

**Basic and Diluted Earnings Per Share (EPS)**

Basic EPS is computed by dividing the net income for the period attributable to common equity holders of the Parent Company by the weighted average number of issued and outstanding and subscribed common shares during the period, with retroactive adjustment for any stock dividends declared.

Diluted EPS is computed in the same manner, adjusted for the effects of any potentially dilutive convertible securities.

**Revenue Recognition**

The following specific recognition criteria must also be met before revenue is recognized.

*Revenue from Real Estate Sales.* Revenue from the sale of completed real estate project is accounted for using the full accrual method in which revenue is recognized at a point in time when control is transferred to a customer. The Group transfers control of real estate for sale under pre-completion contracts over time and, therefore, satisfies the performance obligations under the contract and recognizes revenue over time.

The Group considers a contract to sell as a valid revenue contract. The Group also assesses the probability that it will collect the consideration under the contract prior to recognizing revenue. This assessment is based on the customer's ability and intention to pay the amount of consideration when it is due. If any of the above criteria is not met, the deposit method is applied until all the conditions for recognizing revenue are met.

The Group recognizes revenue from real estate sales under pre-completion contracts based on POC using the input method in which revenue is recognized on the basis of costs incurred up until the end of the reporting period as a proportion of total costs expected to be incurred.

When a significant financing component exists in the Group's real estate sales, the transaction price is adjusted for the time value of money. Interest income or expense resulting from the financing component is presented separately as "Interest from Real Estate Sale" in the consolidated statements of comprehensive income.

In case of sales cancellation due to the default of the buyers, the Group derecognizes the outstanding balance of contract assets and trade receivables and recognizes the repossessed property at fair value less cost to repossess, with any difference taken to profit or loss.

Accordingly, the consideration is not adjusted for the effects of the time value of money.

For tax purposes, full recognition is applied when more than 25% of the selling price has been collected in the year of sale. Otherwise, the installment method is applied.

*Leasing Revenue.* Leasing revenue consists of rent income and common use service area (CUSA) fees. Rent income arising from operating leases on investment properties is recognized on a straight-line basis over the lease terms, except for contingent rental income, which is recognized in the period that it arises. Tenant lease incentives are recognized as a reduction of rental income on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, management is reasonably certain that the tenant will exercise that option. CUSA fees are recognized as income once earned. These are charged monthly and are based on the lessee's proportionate share on the common areas.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in profit or loss when the right to receive those amounts arises.

*Property Management Fees.* Revenue is recognized in profit or loss when the related services are rendered.

*Interest Income.* Interest income is recognized as the interest accrues, taking into account the effective yield on the asset.

*Other Income.* Income from other sources is recognized when earned during the period.

### **Cost and Expenses Recognition**

*Cost of Real Estate Sales.* Cost of real estate sales is recognized consistent with the revenue recognition method applied.

*Cost of Leasing Operations.* Cost of leasing operations, which constitute direct cost incurred in relation to the leasing of properties of the Group is recognized as expense when incurred.

*Cost of Services.* Cost of services, which constitute direct cost incurred in relation to APPS's provision of property management services, is recognized as expense when services are rendered.

*Operating Expenses.* Operating expenses constitute cost of administering the business and cost incurred to sell and market its products and services. These are recognized as incurred.

*Finance Costs.* Finance costs are recognized in profit or loss using the effective interest method.

### **Share-based Compensation**

The Parent Company has a stock option plan covering employees, officers and directors, whereby employees render services for shares or rights over shares ("equity-settled transaction"). The rights granted under the plan are not assignable and non-transferable. The cost of the equity-settled transactions is measured by reference to the fair value of the stock options on the date that it was granted. Stock options reserve presented as part of "Equity" is measured at fair value of the share options as at reporting date when the options are exercised, forfeited or lapsed.

### **Leases**

A contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group also assesses whether a contract contains a lease for each potential separate lease component.

*The Group as a Lessor.* Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which these are earned.

*The Group as Lessee.* At the commencement date, the Group recognizes ROU asset and a lease liability for all leases, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value, in which case the lease payments associated with those leases are recognized as an expense on a straight-line basis.

*ROU Assets.* At commencement date, the Group measures the ROU assets at cost. The cost comprises of amount of the initial measurement of lease liabilities and any initial direct costs incurred by the Group.

ROU assets are recognized at the present value of the liability at the commencement date of the lease, adding any directly attributable costs. After the commencement date, the ROU assets are carried at cost less any accumulated amortization and adjusted for any remeasurement of the related lease liabilities. The ROU assets are depreciated over the shorter of the lease term or the useful life of the underlying asset.

*Lease Liabilities.* At commencement date, the Group measures lease liabilities at the present value of future lease payments using the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of a lease liability comprise of fixed payments, including in-substance fixed payments, variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date and amounts expected to be payable under a residual value guarantee.

Lease liabilities are subsequently measured at amortized cost. Interest on the lease liabilities and any variable lease payments not included in the measurement of lease liabilities are recognized in profit or loss unless these are capitalized as costs of another asset. Variable lease payments not included in the measurement of the lease liabilities are recognized in profit or loss when the event or condition that triggers those payments occurs.

### **Employee Benefits**

*Short-term Benefits.* The Group recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. A liability is also recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

*Retirement Benefits.* The Group has a funded, non-contributory defined benefit plan covering all qualified employees. The retirement benefits cost is determined using the projected unit credit method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The Group recognizes service costs, comprising of current service costs, past service costs and net interest expense or income in profit or loss. Net interest is calculated by applying the discount rate to the net retirement liability or asset.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognizes restructuring-related costs.

Remeasurements pertaining to actuarial gains and losses and return on plan assets are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held in trust and managed by a trustee bank. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. The fair value of the plan assets is based on the market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the retirement liability, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The net retirement asset (liability) is the aggregate of the present value of the defined benefit obligation and the fair value of plan assets against which the obligations are to be settled directly, adjusted for any effect of asset ceiling. The present value of the retirement obligation is determined by discounting the

estimated future cash outflows using interest rate on government bonds that have terms to maturity approximating the terms of the related retirement liability. The asset ceiling is the present value of future economic benefits available in the form of refunds from the plan or reductions in future contribution to the plan.

Actuarial valuations are made with sufficient regularity so that the amounts recognized in the consolidated financial statements do not differ materially from the amounts that would be determined at the reporting date.

### **Income Taxes**

*Current Tax.* Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted at the reporting date.

*Deferred Tax.* Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforward benefits of unused excess MCIT over RCIT and NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are applicable to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted, that is, when the investment property is depreciable and is held within the business model whose objective is consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Most changes in deferred tax assets or deferred tax liabilities are recognized as a component of tax expense in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively. Deferred tax relating to items recognized outside profit or loss is recognized under OCI and outside profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current tax liabilities and deferred taxes relate to the same taxable entity and the same tax authority.

### **Related Party Transactions**

Related party transactions are transfer of resources, services or obligations between the Group and its related parties, regardless whether a price is charged. Transactions between related parties are

accounted for at arm's length prices or in terms similar to those offered to non-related parties in an economically comparable market.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These includes: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Group; (b) associates; (c) individuals owning, directly or indirectly, an interest in the voting power of the investee that gives them significant influence over the investee and close members of the family of any such individual; (d) the Group's funded retirement plan; and (e) members of the key management personnel of the Group.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form. The key management personnel of the Group are also considered to be related parties.

### **Segment Reporting**

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment reporting a strategic business unit that offers different products and serves different markets. Financial information on the Group's business segments is presented in Note 29 to the interim consolidated financial statements.

### **Provisions and Contingencies**

Provisions, if any, are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including risks and uncertainties associated with the present obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to consolidated statements of financial position when an inflow of economic benefits is probable.

### **Events After the Reporting Period**

Any post-year-end event that provides additional information about the Group's financial position at the end of the reporting period (adjusting event) is reflected in the consolidated financial statements. Post-year-end events that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

## **3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of consolidated financial statements in accordance with PFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of asset, liabilities, income and expenses. The accounting estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

### **Judgments**

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts

recognized in the consolidated financial statements:

*Classifying Financial Instruments.* The Group exercises judgment in classifying financial instruments in accordance with PFRS 9. The Group exercises judgment in classifying a financial instrument, or its component parts, on initial recognition as either a financial asset, a financial liability or an equity instrument in accordance with the Group's business model and its contractual cash flow characteristics and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated statements of financial position.

*Determining Control or Joint Control over an Investee Company.* Control is presumed to exist when an investor has power over an investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. On the other hand, joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group has determined that by virtue of the Parent Company's majority ownership of voting rights in its subsidiaries as at September 30, 2025, and December 31, 2024, it has the ability to exercise control over these investees.

*Determining Revenue and Cost Recognition.* Selecting an appropriate revenue recognition method for a particular real estate transaction requires certain judgments based on the buyer's commitment on the sale which may be ascertained through the significance of the buyer's initial investment and completion of development.

The Group recognizes revenue over time if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group performance as the entity performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group concluded that revenue from real estate sale of office units and sale of residential units in should be recognized over time. The Group also determined that input method is the appropriate method in measuring the POC. Under POC, the Group satisfies its performance obligation to deliver a portion of the property to the customer over time. The input method is based on the costs incurred up until the end of the reporting period as a proportion of total costs expected to be incurred. Changes in estimates may affect the reported amounts of revenue, cost of real estate sales, contract assets and contract liabilities.

*Classifying Real Estate for Sale, Investment Properties and Property and Equipment.* The Group determines whether a property qualifies as a real estate for sale, an investment property or an item of property and equipment. In making its judgment, the Group considers whether the property is held for sale in the ordinary course of business, held primarily to earn rentals or capital appreciation or both, or used for operations and administrative purposes by the Group.

*Determining Highest and Best Use of Investment Properties.* The Group determines the highest and best use of its investment properties when measuring fair value. In making its judgment, the Group takes into account the use of the investment properties that is physically possible, legally permissible and financially feasible. The Group has determined that the highest and best use of the investment properties is their current use.

*Determining Lease Commitments - Group as Lessor.* The Group entered into various lease contracts for

its office units in ACPT, retail units in Arya Residences and dormitory units in Sevina Park's Courtyard Hall. The Group has determined that the risks and benefits of ownership related to the leased properties are retained by the Group. Accordingly, the leases are accounted for as operating leases.

*Classifying Lease Commitments - Group as a Lessee.* The Group has entered into lease agreements as a lessee. For these leases, the Group availed of the exemption for short-term leases with term of 12 months or less. Accordingly, lease payments on short-term leases were recognized as expense on a straight-line basis over the lease term.

Additionally, the Group entered into non-cancellable lease agreements for transportation equipment for a period of three (3) to five (5) years. Accordingly, ROU asset and lease liability have been recognized. The carrying amounts of ROU asset and lease liability are disclosed in Notes 10 and 12, respectively.

### **Accounting Estimates and Assumptions**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

*Recognizing Revenue and Cost of Real Estate Sales.* The Group's revenue and cost recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenue and cost. Revenue and cost of sale of real estate recognized based on POC are measured principally based on the costs incurred up until the end of the reporting period at a proportion of total costs expected to be incurred.

*Assessing Significant Financing Component on Real Estate Sales.* A significant financing component exists when the agreed timing of payments provides a significant benefit to either party. In assessing the existence of significant financing component, the Group considers the following factors:

- The length of time between the transfer of the real estate property and the payments.
- Whether the consideration amount would differ significantly at the time of transfer.
- The interest rate in the prevailing market.

Following the adoption of PIC Q&A No. 2018-12, the Group recognized significant financing component in its revenue contracts using the modified retrospective approach (see Note 2). The amount of interest from real estate sale in the 3<sup>rd</sup> quarter of 2025 is disclosed in Note 17.

*Estimating Fair Value of Investment Properties.* Investment properties are measured at fair values. The Group works closely with external qualified appraisers who performed the valuation using appropriate valuation techniques. The Group estimates expected future cash flows, yields, occupancy rates and discount rates. The valuation techniques and inputs used in the fair value measurement of investment properties are disclosed in Note 9.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the investment properties and the level of the fair value hierarchy.

*Determining NRV of Real Estate for Sale.* Real estate for sale is stated at lower of cost or NRV. NRV for completed real estate for sale is assessed with reference to market conditions and prices existing at the reporting date and is determined by the Group in the light of recent market transactions. NRV in respect of real estate assets under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete the construction and less estimated costs to sell. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized.

*Assessing the ECL on Trade Receivables and Contract Assets.* The Group initially uses a provision matrix based on the historical default rates for trade receivables. The provision matrix specifies provision rates depending on the number of days that a receivable is past due. The Group then calibrates the provision matrix to adjust historical credit loss experience with forward-looking information on the basis of current observable data to reflect the effects of current and forecasted economic conditions.

The Group adjusts historical default rates if forecasted economic conditions such as gross domestic product are expected to deteriorate which can lead to increased number of defaults in the real estate industry. The Group regularly reviews the methodology and assumptions used for estimating ECL to reduce any differences between estimates and actual credit loss experience.

The determination of the correlation between historical default rates and forecasted economic conditions is a significant estimate. Accordingly, the provision for ECL of receivable from real estate sales is sensitive to changes in assumptions about forecasted economic conditions.

The Group's exposure to risk of default is mitigated by the requirement that title to real estate for sale is transferred to the buyer only upon full payment of the contract price.

*Assessing ECL on Other Financial Assets at Amortized Cost.* The Group determines the allowance for ECL based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL are provided based on lifetime ECL.

The Group limits its exposure to credit risk from balances with banks by depositing its cash with highly reputable and pre-approved financial institutions. The Group invests its cash only with banks and deposits only with counterparties that have good credit standing and reputation in the local and international banking industry. These instruments are graded in the top category by an acceptable credit rating agency and, therefore, are considered to be low credit risk investments.

The Group also considers financial assets that are more than 30 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the borrower.

*Estimating the Useful Lives of Property and Equipment.* The Group reviews annually the estimated useful lives of property and equipment based on expected asset's utilization, market demands and future technological development. It is possible that the factors mentioned may change in the future, which could cause a change in estimated useful lives. A reduction in estimated useful lives could cause a significant increase in depreciation and amortization of property and equipment.

*Assessing Impairment of Nonfinancial Assets.* The Group assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In assessing whether there is any indication that an asset may be impaired, the Group considers the external and internal sources of information. External sources of information include but are not limited to unexpected significant decline in market value and any other significant changes with an adverse effect on the Group, whether it had taken place during period or will take place in the near future in the market, economic or legal environment in which the entity operates or in the market to which the asset is dedicated. Internal sources of information include evidence of obsolescence or physical damage on an asset, significant changes with an adverse effect on the Group whether it had taken place during the period, or are expected to take place in the near future, to the extent to which, or in a manner in which, an asset is used or is expected to be used, and any other evidence that indicates that the economic performance of an asset is, or will be, worse than expected.

*Estimating Retirement Liability.* The determination of the Group's obligation and cost for pension and other retirement benefits is dependent on selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 22 and include among others,

discount rate and salary increase rate. While the Group believes that the assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in assumptions materially affect net retirement liability.

*Assessing Realizability of Deferred Tax Assets.* The Group's assessment on the recognition of deferred tax assets on deductible temporary differences and carryforward benefits of unused excess MCIT over RCIT and NOLCO is based on the projected taxable income in the following periods. Based on the projection, not all future deductible temporary differences will be realized, therefore, certain portion of deferred tax assets was not recognized.

#### 4. CASH AND CASH EQUIVALENTS

This account consists of:

|                  | September 2025        | December 2024  |
|------------------|-----------------------|----------------|
| Cash on hand     | <b>₱237,714</b>       | ₱195,000       |
| Cash in banks    | <b>944,297,515</b>    | 1,171,587,035  |
| Cash equivalents | <b>910,694,220</b>    | 2,874,181,627  |
|                  | <b>₱1,855,229,449</b> | ₱4,045,963,662 |

Cash in banks earns interest at prevailing bank deposit rates and are immediately available for use in the current operations. Cash equivalents are made up of short-term investments for varying periods up to three (3) months or less and earn interest at the respective prevailing short-term investment rates.

#### 5. FINANCIAL ASSETS AT FVPL

Financial assets at FVPL amounting to ₱1.0 billion and ₱1.9 billion as at September 30, 2025 and December 31, 2024, respectively, represent units of participation in money market fund.

Financial assets at FVPL include unrealized gain (loss) amounting to (₱3.1 million) and ₱12.0 million for the nine months ended September 30, 2025 and 2024, respectively, and included as part of "Other income" account in the interim consolidated statements of comprehensive income. Realized gain on disposals of financial assets at FVPL amounted to ₱86.2 million and ₱53.7 million for the nine months ended September 30, 2025 and 2024, respectively (see Note 21).

The fair value of financial assets at FVPL is classified under Level 1 of the fair value hierarchy using quoted market prices.

#### 6. RECEIVABLES

This account consists of:

|                          | September 2025        | December 2024  |
|--------------------------|-----------------------|----------------|
| Trade receivables from:  |                       |                |
| Sale of real estate      | <b>₱2,304,495,507</b> | ₱1,390,508,427 |
| Leasing                  | <b>152,358,917</b>    | 163,093,802    |
| Accrued rent receivables | <b>43,883,990</b>     | 17,962,990     |
| Advances to employees    | <b>16,016,733</b>     | 14,462,155     |
| Interest receivable      | <b>170,091</b>        | 67,976,874     |
| Due from related parties | -                     | 5,674,454      |
| Other receivables        | <b>175,358,844</b>    | 113,743,377    |
|                          | <b>2,692,284,082</b>  | 1,773,422,079  |
| Allowance for ECL        | <b>(1,746,790)</b>    | (1,746,790)    |
|                          | <b>₱2,690,537,292</b> | ₱1,771,675,289 |

The aging analysis of receivables is shown below:

|             | Neither Past<br>Due nor<br>Impaired | Past Due But Not Impaired |                       |                     | Past due and<br>impaired | TOTAL                |
|-------------|-------------------------------------|---------------------------|-----------------------|---------------------|--------------------------|----------------------|
|             |                                     | Within 6<br>months        | 7 months to<br>1 year | More than<br>1 year |                          |                      |
| Receivables | 2,418,219,069                       | 202,647,949               | 20,527,141            | 47,396,343          | 1,746,790                | <b>2,690,537,292</b> |

Trade receivables from sale of real estate relate to sale of condominium units, retail units, lots and residential townhouses that were already billed and which are generally collectible in monthly installments over a maximum period of three (3) years. Titles to the units sold under this arrangement are transferred to the buyers only upon full payment of the contract price. Trade receivables from leasing operations are non-interest bearing, unsecured and collectible within seven (7) days.

Accrued rent receivable pertains to the difference between rental income recognized using straight-line method of accounting and rental payments based on the terms of the lease contracts.

Advances to employees represent salary and other loans granted to employees which are non-interest bearing in nature and collectible through salary deductions.

Interest receivable includes accrual of interest from the Group's short-term placements.

Other receivables mainly include other charges and advances which are non-interest bearing and collectible on demand.

Provision for ECL amounting to ₱1.7 million was recognized in 2022 and recorded as part of "Others" under "Operating expenses" in the consolidated statements of comprehensive income.

## 7. CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group's contract assets and contract liabilities are as follows:

|                      | September 2025        | December 2024  |
|----------------------|-----------------------|----------------|
| Contract assets      | <b>₱8,398,459,582</b> | ₱7,625,261,813 |
| Contract liabilities | <b>548,041,948</b>    | 428,492,840    |
| Net contract assets  | <b>₱7,850,417,634</b> | ₱7,196,768,973 |

Contract assets pertain to receivables from the sale of condominium and office units and residential townhouses of the Group representing the excess of cumulative revenues from real estate sales over billed amounts. These amounts will be billed and collected in accordance with the agreed payment terms with the buyers, which is normally up to a maximum of five (5) years.

Contract liabilities pertain to downpayments received from the real estate buyers at the inception of the contracts in which the related revenue is not yet recognized as at September 30, 2025 and December 31, 2024.

## 8. REAL ESTATE FOR SALE

This account consists of:

|                                    | September 2025         | December 2024  |
|------------------------------------|------------------------|----------------|
| Land and assets under construction | <b>₱8,529,029,175</b>  | ₱3,162,565,771 |
| Office units for sale              | <b>3,984,119,066</b>   | 4,108,608,966  |
|                                    | <b>₱12,513,148,241</b> | ₱7,271,174,737 |

### **Land and Assets under Construction**

These consist of land and development costs of ongoing real estate projects of the Group. As at September 30, 2025, this account includes the land and development costs of Sevina Park, Una Apartments, Lucima, Eluria, Liv North and other land acquisitions of the group (see Note 1).

In 2024, Cazneau transferred a portion of a parcel of land from “Investment properties” account to “Real estate for sale” account aggregating ₱501.0 million because of the change in the intended use of the property as approved by the BOD.

The land of Lucima Residences with carrying amount of ₱794.5 million is used as security for the bank loan of Bhavana with outstanding balance of ₱681.1 million and ₱892.3 million as at September 30, 2025 and December 31, 2024, respectively.

The land of Eluria with carrying amount of ₱780.4 million is used as security for the bank loan of Bhavya with outstanding balance of ₱845.7 million and ₱925.8 million as at September 30, 2025 and December 31, 2024, respectively.

The land of Sevina Park with carrying amount of ₱386.2 million is used as security for the bank loan of Cazneau with outstanding balance of ₱439.6 million and ₱677.4 million as at September 30, 2025 and December 31, 2024, respectively.

The land of Project Rock with carrying amount of ₱1,758.8 million is used as security for the bank loan of Zileya with outstanding balance of ₱995.1 million as at September 30, 2025.

### **Office Units for Sale**

The carrying amount of these assets were transferred from the cost of Land and Assets under construction to Office units for sale following the completion of the projects.

Repossessions arising from cancellation of sales due to buyer’s default in payments represent previously sold units which were recorded back as “Real estate for sale”. These are recorded at fair value less cost to repossess and are held for sale in the ordinary course of business. Gain on repossession amounted to ₱7.3 million and ₱43.4 million in September 30, 2025 and 2024, respectively, recorded under “Other Income - net” account in the interim consolidated statements of comprehensive income (see Note 21).

### **NRV of Real Estate for Sale**

Real estate for sale is stated at cost which is lower than its NRV and there is no allowance for inventory obsolescence as at September 30, 2025 and December 31, 2024.

## **9. INVESTMENT PROPERTIES**

This account consists of:

|                                         | <b>September 2025</b>  | <b>December 2024</b> |
|-----------------------------------------|------------------------|----------------------|
| ACPT                                    | <b>₱7,767,196,226</b>  | ₱7,200,420,660       |
| Cebu Exchange                           | <b>3,542,004,618</b>   | 3,033,000,003        |
| Arya Residences:                        |                        |                      |
| Retail units                            | <b>1,444,698,000</b>   | 1,444,698,000        |
| Parking slots                           | <b>198,452,000</b>     | 198,452,000          |
| Land:                                   |                        |                      |
| UPHI’s Laguna and Tagaytay properties   | <b>1,293,897,866</b>   | 1,161,190,392        |
| ALCO’s Batangas and Tagaytay properties | <b>366,831,500</b>     | 325,642,500          |
| Savya Financial Center                  | <b>739,000,000</b>     | 739,000,000          |
| Courtyard Hall                          | <b>520,887,000</b>     | 487,616,000          |
|                                         | <b>₱15,872,967,210</b> | ₱14,590,019,555      |

### **ACPT**

Carrying amount of ACPT includes office units and parking slots for lease. The bank loan for which ACPT was used as collateral was fully paid in July 2025.

### **Cebu Exchange**

The carrying amount of Cebu Exchange includes office and retail units and parking slots for lease. Cebu Exchange office units and parking spaces are used as collateral for loans payable amounting to ₱983.1 million as at September 30, 2025 (see Note 13).

### **Arya Residences**

Retail units and parking slots in Arya Residences are used for leasing operations.

### **Land**

UPHI's raw land, with fair value amounting to ₱1,293.9 million and ₱1,161.2 million as at September 30, 2025 and December 31, 2024, respectively, has a total area of 33 hectares and are located at Barangay Gonzalo Bontog, Calamba City and Barangay Calabuso, Tagaytay City. Part of UPHI's land was expropriated by NAPOCOR, leading to court proceedings. While others appealed for the compensation amount, UPHI plans to settle with the NTC (NAPOCOR's successor) since it can no longer use the property. Management believes this settlement won't significantly impact on the consolidated financial statements but could help recover the property's cost.

Moreover, UPHI filed a complaint for quieting of title on October 18, 2010, due to incorrect tax declarations by the City of Tagaytay for its Calamba City property. The trial court ruled in UPHI's favor in June 2020. The defendants appealed to the CA, but on July 31, 2023, the CA upheld the trial court's decision. Their Motions for Reconsideration were also denied on February 15, 2024. Both filed petitions for review under Rule 45 of the Rules of Court before the Supreme Court in April 2024 while UPHI submitted its Comment/Opposition to the same in October 2024. There is no resolution on the matter as of the date hereof.

Raw land of the Parent Company has a total area of 10.3 hectares located in Batangas and Tagaytay with fair value aggregating to ₱366.8 million and ₱325.6 million as at September 30, 2025 and December 31, 2024, respectively.

In 2024, Cazneau transferred commercial lots from "Investment Properties" to "Real estate for sale" account with fair value of ₱501.0 million because of the change in the intended use of the property as approved by the BOD.

### **Savya Financial Center**

The carrying amount of Savya Financial Center includes office units and parking slots for lease.

### **Courtyard Hall**

Courtyard Hall of Cazneau used for leasing operations were recognized at fair value amounting to ₱520.9 million and ₱487.6 million as at September 30, 2025 and December 31, 2024, respectively. The land attributable to Cazneau's retail spaces and Courtyard Hall with carrying amount of ₱385.8 million and ₱354.9 million as at September 30, 2025 and December 31, 2024, respectively was used as part of the collaterals for a long-term facility of Cazneau with an outstanding balance of ₱439.6 million and ₱677.4 million as at September 30, 2025 and December 31, 2025, respectively.

### **Fair Value Measurement**

Details of the valuation techniques used in measuring fair values of investment properties, as appraised by a SEC-accredited and independent appraiser (Asian Appraisal) in its report as at September 30, 2025, are classified under Levels 2 and 3 of the fair value hierarchy as follows:

| Class of Property                          | Valuation Technique                    | Significant Inputs                                       | September<br>2025  | December<br>2024   |
|--------------------------------------------|----------------------------------------|----------------------------------------------------------|--------------------|--------------------|
| ACPT                                       | Discounted cash flow<br>approach (DCF) | Rental rate for an office unit per<br>square meter (sqm) | ₱2,072             | ₱1,969             |
|                                            |                                        | Rental rate per parking slot                             | ₱9,670             | ₱9,188             |
|                                            |                                        | Discount rate                                            | 8.65%              | 8.84%              |
|                                            |                                        | Vacancy rate                                             | -                  | -                  |
|                                            |                                        | Calculated no. of net leasable<br>area (total sqm)       | 18,059             | 18,059             |
|                                            |                                        | Income tax rate                                          | 25%                | 25%                |
| Cebu Exchange:<br>Retail units             | Discounted cash flow<br>approach       | Rental rate per square meter (sqm)                       | ₱1,470             | ₱1,407             |
|                                            |                                        | Rent escalation rate per annum<br>(p.a.)                 | 5%                 | 5%                 |
|                                            |                                        | Discount rate                                            | 8.65%              | 8.84%              |
|                                            |                                        | Vacancy rate                                             | 25%                | 25%                |
|                                            |                                        | Income tax rate                                          | 25%                | 25%                |
|                                            |                                        |                                                          |                    |                    |
| Office units                               | Discounted cash flow<br>approach       | Rental rate per sqm                                      | ₱940               | ₱830               |
|                                            |                                        | Rent escalation rate p.a.                                | 5%                 | 5%                 |
|                                            |                                        | Discount rate                                            | 8.65%              | 8.84%              |
|                                            |                                        | Vacancy rate                                             | -                  | —                  |
|                                            |                                        | Income tax rate                                          | 25%                | 25%                |
| Parking slots                              | Discounted cash flow<br>approach       | Rental rate per slot                                     | ₱5,812             | ₱5,670             |
|                                            |                                        | Rent escalation rate p.a.                                | 5%                 | 5%                 |
|                                            |                                        | Discount rate                                            | 8.65%              | 8.84%              |
|                                            |                                        | Vacancy rate                                             | 40%                | 40%                |
|                                            |                                        | Income tax rate                                          | 25%                | 25%                |
| Arya Residences:                           |                                        |                                                          |                    |                    |
| Retail units                               | Discounted cash flow<br>approach       | Rental rate per sqm                                      | ₱3,745             | ₱3,745             |
|                                            |                                        | Rent escalation rate p.a.                                | 7%                 | 7%                 |
|                                            |                                        | Discount rate                                            | 8.84%              | 8.84%              |
|                                            |                                        | Vacancy rate                                             | 5%                 | 5%                 |
|                                            |                                        | Income tax rate                                          | 25%                | 25%                |
| Parking slots                              | Discounted cash flow<br>approach       | Rental rate per slot                                     | ₱8,828             | ₱8,828             |
|                                            |                                        | Rent escalation rate p.a.                                | 7%                 | 7%                 |
|                                            |                                        | Discount rate                                            | 8.84%              | 8.84%              |
|                                            |                                        | Vacancy rate                                             | 5%                 | 5%                 |
|                                            |                                        | Income tax rate                                          | 25%                | 25%                |
| Land:                                      |                                        |                                                          |                    |                    |
| UPHI’s Laguna and<br>Tagaytay properties   | Market data approach                   | Price per sqm                                            | ₱3,900             | ₱3,500             |
|                                            |                                        | Value adjustments                                        | -10% to 10%        | -15% to 5%         |
| Cazneau’s Laguna<br>Properties             | Market data approach                   | Price per sqm                                            | ₱100,000           | ₱92,000            |
|                                            |                                        | Value adjustments                                        | -10%               | -20% to -15%       |
| ALCO’s Batangas and<br>Tagaytay properties | Market data approach                   | Price per sqm                                            | ₱3,400 –<br>₱3,600 | ₱3,000 –<br>₱3,200 |
|                                            |                                        | Value adjustments                                        | -20% to 25%        | 5% to 25%          |
| Savya Financial Center                     |                                        |                                                          |                    |                    |
| Retail units                               | DCF approach                           | Rental rate per sqm                                      | ₱900               | ₱900               |
|                                            |                                        | Rent escalation rate p.a.                                | 0% - 6%            | 0% - 6%            |
|                                            |                                        | Discount rate                                            | 9.20%              | 9.20%              |
|                                            |                                        | Vacancy rate                                             | —                  | —                  |
|                                            |                                        | Income tax rate                                          | 25%                | 25%                |
| Parking slots                              | DCF approach                           | Rental rate per sqm                                      | ₱5,200             | ₱5,200             |
|                                            |                                        | Rent escalation rate p.a.                                | 0% - 5%            | 0% - 5%            |
|                                            |                                        | Discount rate                                            | 9.20%              | 9.20%              |
|                                            |                                        | Vacancy rate                                             | —                  | —                  |

| Class of Property | Valuation Technique            | Significant Inputs         | September    | December     |
|-------------------|--------------------------------|----------------------------|--------------|--------------|
|                   |                                |                            | 2025         | 2024         |
| Courtyard Hall    | Depreciated replacement Method | Income tax rate            | 25%          | 25%          |
|                   |                                | Estimated replacement cost | ₱170,356,000 | ₱165,492,000 |
|                   |                                | Remaining economic life    | 32 years     | 32 years     |

Details of the valuation techniques used in measuring fair values of investment properties are as follows:

### Discounted Cash Flow Approach

Under the DCF approach, a property's fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the asset's estimated useful life including an exit or terminal value. As an accepted method within the income approach to valuation, the DCF approach involves the projection of a series of cash flows on a real property interest. An appropriate, market-derived discount rate is applied to projected cash flow series to establish the present value of the income stream associated with the investment property.

Periodic cash flows of investment properties are typically estimated as gross income less vacancy and operating expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

The frequency of inflows and outflows are contract and market-derived. The DCF approach assumes that cash outflows occur in the same period that expenses are recorded.

*Sensitivity Analysis.* Generally, significant increases (decreases) in rental rate per sq.m. or per slot and rent escalation rate p.a. in isolation would result in a significantly higher (lower) fair value measurement. Significant increases (decreases) in discount rate and vacancy rate in isolation would result in a significantly lower (higher) fair value measurement.

### Market Data Approach

Market data approach involves the comparison of the UPHI's Laguna and Tagaytay properties, Cazneau's Laguna properties and ALCO's Batangas and Tagaytay properties to those that are more or less located within the vicinity of the appraised properties and are subject of recent sales and offerings. Adjustments were made to arrive at the market value by considering the location, size, shape, utility, desirability and time element.

The inputs to fair valuation are as follows:

- *Price per sqm* - estimated value prevailing in the real estate market depending on the location, area, shape and time element.
- *Value adjustments* - adjustments are made to bring the comparative values in approximation to the investment property taking into account the location, size and architectural features among others.

### Depreciated Replacement Cost Method

Depreciated replacement cost method is used to estimate valuation of Courtyard Hall by computing for the replacement cost of the assets and applying appropriate adjustments for physical deterioration and functional and economic obsolescence.

## 10. PROPERTY AND EQUIPMENT

The balances and movements of this account consist of:

|                                | September 2025               |                                      |                     |                           |                           |             | Total        |
|--------------------------------|------------------------------|--------------------------------------|---------------------|---------------------------|---------------------------|-------------|--------------|
|                                | Building and<br>Improvements | Building Transportation<br>Equipment | Office<br>Equipment | Furniture and<br>Fixtures | Leasehold<br>Improvements | ROU Asset   |              |
| Cost                           |                              |                                      |                     |                           |                           |             |              |
| Balance at beginning of period | ₱256,707,392                 | ₱80,315,611                          | ₱65,806,721         | ₱110,863,832              | ₱78,500                   | ₱29,028,000 | ₱542,800,056 |
| Additions                      | 5,091,348                    | -                                    | 8,472,911           | 975,511                   | -                         | 31,556,000  | 46,095,770   |

|                                                  |              |             |             |             |        |             |              |
|--------------------------------------------------|--------------|-------------|-------------|-------------|--------|-------------|--------------|
| Disposals                                        | -            | (7,214,286) | -           | -           | -      | -           | (7,214,286)  |
| Reclassification                                 | -            | -           | (1,183,929) | -           | -      | -           | (1,183,929)  |
| Balance at end of period                         | 261,798,740  | 73,101,325  | 73,095,703  | 111,839,343 | 78,500 | 60,584,000  | 580,497,611  |
| <b>Accumulated Depreciation and Amortization</b> |              |             |             |             |        |             |              |
| Balance at beginning of period                   | 50,126,062   | 48,273,878  | 54,772,115  | 83,405,040  | 78,500 | 4,526,000   | 241,181,595  |
| Depreciation and amortization                    | 3,661,385    | 10,436,608  | 7,216,730   | 17,717,870  | -      | 8,846,856   | 47,879,449   |
| Disposals                                        | -            | (7,214,286) | -           | -           | -      | -           | (7,214,286)  |
| Reclassification                                 | -            | -           | (1,183,929) | -           | -      | -           | (1,183,929)  |
| Balance at end of period                         | 53,787,447   | 51,496,200  | 60,804,916  | 101,122,910 | 78,500 | 13,372,856  | 280,662,829  |
| Carrying Amount                                  | ₱208,011,293 | ₱21,605,125 | ₱12,290,787 | ₱10,716,433 | ₱-     | ₱47,211,144 | ₱299,834,782 |

|                                              | December 2024                |                             |                     |                           |                           |             |              |
|----------------------------------------------|------------------------------|-----------------------------|---------------------|---------------------------|---------------------------|-------------|--------------|
|                                              | Building and<br>Improvements | Transportation<br>Equipment | Office<br>Equipment | Furniture and<br>Fixtures | Leasehold<br>Improvements | ROU Asset   | Total        |
| Cost                                         |                              |                             |                     |                           |                           |             |              |
| Balance at beginning of year                 | ₱253,399,531                 | ₱92,771,505                 | ₱57,247,428         | ₱102,634,798              | ₱78,500                   | ₱—          | ₱506,131,762 |
| Additions                                    | 3,307,861                    | 66,696                      | 8,823,007           | 8,229,034                 | —                         | 29,028,000  | 49,454,598   |
| Disposals                                    | —                            | (12,522,590)                | —                   | —                         | —                         | —           | (12,522,590) |
| Reclassification                             | —                            | —                           | (263,714)           | —                         | —                         | —           | (263,714)    |
| Balance at end of year                       | 256,707,392                  | 80,315,611                  | 65,806,721          | 110,863,832               | 78,500                    | 29,028,000  | 542,800,056  |
| Accumulated Depreciation<br>and Amortization |                              |                             |                     |                           |                           |             |              |
| Balance at beginning of year                 | 45,253,058                   | 42,706,435                  | 46,524,017          | 83,405,040                | 78,500                    | —           | 190,363,093  |
| Depreciation and<br>amortization             | 4,873,004                    | 18,090,033                  | 8,419,844           | 6,035,423                 | -                         | 4,526,000   | 63,512,838   |
| Disposals                                    | —                            | (12,522,590)                | —                   | —                         | —                         | —           | (12,522,590) |
| Reclassification                             | —                            | —                           | (171,746)           | —                         | —                         | —           | (171,746)    |
| Balance at end of year                       | 50,126,062                   | 48,273,878                  | 54,772,115          | 83,405,040                | 78,500                    | 4,526,000   | 241,181,595  |
| Carrying Amount                              | ₱206,581,330                 | ₱32,041,733                 | ₱11,034,606         | ₱27,458,792               | ₱—                        | ₱24,502,000 | ₱301,618,461 |

Depreciation and amortization on property and equipment were included as part of “Operating expenses” and “Cost of services” account in the interim consolidated statements of comprehensive income.

## 11. OTHER ASSETS

This account consists of:

|                                                       | September 2025 | December 2024  |
|-------------------------------------------------------|----------------|----------------|
| CWT                                                   | ₱1,065,614,288 | ₱862,328,524   |
| Advances for project development and land acquisition | 886,543,301    | 663,759,829    |
| Input VAT                                             | 796,295,443    | 463,784,660    |
| Deposits                                              | 207,203,099    | 502,128,321    |
| Amounts held in trust and in escrow                   | 176,533,735    | 344,873,988    |
| Prepayments                                           | 175,884,382    | 160,429,517    |
| Software and licenses                                 | 81,813,152     | 39,185,585     |
| Deferred tax assets (Note 23)                         | 46,654,216     | -              |
| Deferred input VAT                                    | 24,476,024     | 18,232,998     |
| Materials and supplies                                | 1,341,909      | 1,341,909      |
|                                                       | 3,462,359,549  | 3,056,065,331  |
| Allowance for impairment loss                         | (16,002,600)   | (16,002,600)   |
|                                                       | ₱3,446,356,949 | ₱3,040,062,731 |

Advances for project development and land acquisition pertain to downpayments made to contractors for the construction and acquisition of land of the Group’s real estate projects. These advances are applied against progress billings and upon transfer of land.

Deposits pertain to utility deposits, deposits for professional services, guarantee and other deposits for the construction of the Group's real estate projects. Deposits are settled upon completion of the documentary requirements.

Amounts held in escrow represent the debt service account required under existing loans with certain banks, the amount of which is equivalent to a quarterly principal and interest amortization and in relation to property acquisition under sale and purchase agreement. Amounts held in trust represent cash in bank held under trust pursuant to Bhavana and Bhavya's applications for socialized housing with the Department of Human Settlements and Urban Development in relation to its projects.

Prepayments consist of rent, taxes, insurance and other expenses which are amortized over a year, and of prepaid commissions, amortized over the lease term for leasing and based on percentage of completion for selling.

The carrying amount of software and licenses amounted to ₱81.8 million and ₱39.2 million as at September 30, 2025 and December 31, 2024, respectively. Amortization of software and licenses amounted to ₱6.6 million and ₱5.1 million for the period ended September 30, 2025 and December 31, 2024, respectively, are recorded as part of "Depreciation and amortization" account in the interim consolidated statements of comprehensive income.

Materials and supplies are the excess construction materials and supplies from the construction of completed real estate projects.

## 12. ACCOUNTS AND OTHER PAYABLES

This account consists of:

|                                  | September 2025        | December 2024  |
|----------------------------------|-----------------------|----------------|
| Accounts payable                 | <b>₱723,767,987</b>   | ₱440,687,961   |
| Payable for the purchase of land | <b>1,860,247,000</b>  | -              |
| Accrued expenses                 | <b>1,522,494,232</b>  | 1,596,863,305  |
| Deferred output VAT              | <b>1,217,785,899</b>  | 923,068,600    |
| Retention payable                | <b>706,386,587</b>    | 637,212,543    |
| Advances from buyers             | <b>308,294,585</b>    | 281,430,016    |
| Security deposits                | <b>141,046,354</b>    | 125,302,311    |
| Advance rent                     | <b>85,356,595</b>     | 58,517,124     |
| Statutory payable                | <b>77,202,781</b>     | 31,599,994     |
| Dividends payable                | <b>51,132,726</b>     | 51,132,727     |
| Lease liability                  | <b>48,894,420</b>     | 25,187,149     |
| Construction bonds               | <b>34,522,533</b>     | 34,933,329     |
| Others                           | <b>62,451,957</b>     | 56,257,676     |
|                                  | <b>₱6,839,583,656</b> | ₱4,262,192,735 |

Accounts payable, which are non-interest bearing and are normally settled within 30 days to one (1) year, consist mainly of liabilities to contractors and suppliers.

Payable for the purchase of land pertains to the land acquired in Banilad Road, Cebu City. The balance is payable based on a payment schedule as stated in the contract, with the last installment due on 2028.

Accrued expenses are expected to be settled within the next 12 months which pertain to construction costs, interest, management and professional fees, utilities, commissions, advertising and other expenses.

Deferred output VAT pertains to VAT from sales of property on installments. If the payments in the year of sale do not exceed twenty-five percent (25%) of the gross selling price, the sale will be considered under installment, in which case VAT will be paid based on collections.

Retention payable, which will be released after completion and satisfaction of the terms and conditions of the construction contract, pertains to amount retained by the Group from the contractors' progress billings for the real estate projects of the Group.

Advances from buyers include reservation fees and collections received from prospective lessees or buyers, which are and to be applied as security deposits upon execution of lease contracts or against the total contract price of the real estate sale. These are recorded at face amount.

Advance rent pertains to the payments made in advance by the tenants to be applied to their rent payable in the immediately succeeding months or in the last three (3) months of the lease term.

Statutory payables pertain to various withheld taxes payable to the government agencies which are generally paid within the next reporting period.

The balance and movements in lease liabilities as of September 30, 2025 and December 31, 2024, are as follows:

|                                       | September 2025      | December 2024     |
|---------------------------------------|---------------------|-------------------|
| Beginning Balance                     | <b>₱25,187,149</b>  | <b>₱-</b>         |
| Additions                             | <b>31,556,000</b>   | 29,015,160        |
| Rental payments                       | <b>(10,841,361)</b> | (5,568,750)       |
| Interest expense                      | <b>2,992,632</b>    | 1,740,739         |
| Balance at end of period              | <b>48,894,420</b>   | 25,187,149        |
| Current portion of lease liability    | <b>14,896,734</b>   | 17,629,344        |
| Noncurrent portion of lease liability | <b>₱33,997,686</b>  | <b>₱7,557,805</b> |

Construction bonds represent non-interest bearing deposits made by the lessees before the start of construction or fit out of their leased or rented units in ACPT and refundable upon fulfillment of contract provisions.

Other payables include statutory liabilities to SSS, PhilHealth and HDMF and payables to certain buyers as at cutoff date and lease liabilities.

### 13. LOANS PAYABLE

This account consists of:

|                 | September 2025        | December 2024          |
|-----------------|-----------------------|------------------------|
| Local banks     | <b>18,032,447,683</b> | ₱12,422,800,781        |
| Private funders | <b>53,223,970</b>     | 53,223,970             |
|                 | <b>18,085,671,653</b> | <b>₱12,476,024,751</b> |

#### Local bank loans

Loans from local banks consist of interest-bearing secured and unsecured loans obtained to finance project development and working capital requirements of the Group and carries interest rates ranging from 6.17% to 9.10% p.a. in September 30, 2025 and December 31, 2024.

Details of outstanding local bank loans as at September 30, 2025 and December 31, 2024 follow:

| Purpose                                                 | Terms and Security                                | Effective interest rate (p.a.) | SEPTEMBER 2025        | DECEMBER 2024  |
|---------------------------------------------------------|---------------------------------------------------|--------------------------------|-----------------------|----------------|
| <i>Short-term loans -</i>                               |                                                   |                                |                       |                |
| Short-term loans for working fund requirements          | Unsecured and payable in full within one (1) year | 7.0% to 8.85%                  | <b>₱3,950,518,747</b> | ₱2,351,281,667 |
| Short-term loans for construction of Cebu Exchange      | Unsecured and payable in full within one (1) year | 7.60% to 8.0%                  | <b>1,270,700,000</b>  | 1,381,000,000  |
| Short-term loan for working fund requirement of Savya   | Unsecured and payable in full within one (1) year | 7.50%                          | <b>1,157,928,800</b>  | 745,326,625    |
| Short-term loan of Eluria                               | Unsecured and payable in full within one (1) year | 7.50%                          | <b>113,000,000</b>    | 217,027,000    |
| Short-term loan for working fund requirement of Cazneau | Unsecured and payable in full within one (1) year | 8.19% to 8.75%                 | <b>233,440,000</b>    | 69,100,000     |

| Purpose                                                                                                                 | Terms and Security                                                                                                                                                                                                                                                                                                                                                                          | Effective interest rate (p.a.) | SEPTEMBER 2025         | DECEMBER 2024          |
|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------|------------------------|
| <i>Construction and development of projects -</i>                                                                       |                                                                                                                                                                                                                                                                                                                                                                                             |                                |                        |                        |
| Development of Green Projects                                                                                           | Unsecured and paid in full on February 6, 2025                                                                                                                                                                                                                                                                                                                                              | 6.35%                          | -                      | 998,665,566            |
| Development of Green Projects                                                                                           | Payable on a quarterly basis starting 2028 to 2030; secured by real estate mortgage over office units and parking spaces of Cebu Exchange Tower Properties                                                                                                                                                                                                                                  | 7.47%                          | <b>983,124,224</b>     | -                      |
| Construction of Eluria                                                                                                  | Payable on a quarterly basis starting 2025 until 2027; secured by Eluria property with carrying amount of ₱780.4 million as at September 30, 2025 and 2024 (see Note 8), and an escrow account amounting to ₱19.1 million and ₱18.4 million as at September 30, 2025 and December 31, 2024, respectively.                                                                                   | 6.37% to 9.10%                 | <b>845,691,158</b>     | 925,834,235            |
| Construction of Lucima                                                                                                  | Payable on a quarterly basis starting 2024 until 2026; secured by Lucima Residences property with carrying amount of ₱794.5 million as at September 30, 2025 and December 31, 2024 (see Note 8), and an escrow account amounting to ₱22.6 million and ₱28.9 million as at September 30, 2025 and December 31, 2024, respectively.                                                           | 6.17% to 8.78%                 | <b>681,133,978</b>     | 892,255,959            |
| Construction of Sevina Park                                                                                             | Payable on a quarterly basis starting November 2023 until August 2026; secured by land properties with carrying amount of ₱772.0 million as at September 30, 2025 and ₱741.1 million as at December 31, 2024 (see Note 8 and 9), and an escrow account amounting to ₱8.9 million and ₱9.4 million as at September 30, 2025 and December 31, 2024, respectively.                             | 6.25% to 8.49%                 | <b>439,587,410</b>     | 677,411,436            |
| Construction of ACPT                                                                                                    | Payable on a quarterly basis starting 4th quarter of 2020 until full settlement in July 2025; secured by ACPT office units with carrying amount of ₱7,767.2 million and ₱7,200.4 million as at September 30, 2025 and December 31, 2024, respectively (see Note 9), and an escrow account amounting to nil and ₱208.9 million as at September 30, 2025 and December 31, 2024, respectively. | 5.50%                          | -                      | 598,427,817            |
| Construction of Project Rock                                                                                            | Payable on a quarterly basis starting 3rd quarter of 2028 until July 2030; secured by land with carrying amount of ₱1,758.8 million as at September 30, 2025, and a deposit hold out account amounting to ₱20.1 million as at September 30, 2025.                                                                                                                                           | 7.60% to 7.77%                 | <b>995,141,600</b>     | -                      |
| <i>Credit facility agreements for financing of receivables</i>                                                          |                                                                                                                                                                                                                                                                                                                                                                                             |                                |                        |                        |
| Credit facility agreement for financing of receivables from buyers of units and parking slots in Savya Financial Center | Payable in full in 2025 and 2026; secured by receivables and contract assets from buyer of units and parking slots in Savya Financial Center                                                                                                                                                                                                                                                | 6.50% to 6.75%                 | <b>257,777,160</b>     | 670,793,963            |
| Credit facility agreement for financing of receivables from buyers of units in Cazneau                                  | Payable in full within one year; secured by receivables and contract assets from buyers of units in Sevina Park Villas                                                                                                                                                                                                                                                                      | 6.75% to 8.25%                 | <b>1,685,312,864</b>   | 620,177,668            |
| Credit facility agreement for financing of receivables from buyers of units in Lucima                                   | Payable in full in 2025 and 2026; secured by receivables and contract assets from buyer of units and parking slots in Lucima                                                                                                                                                                                                                                                                | 7.04% to 7.75%                 | <b>850,316,662</b>     | 581,830,291            |
| Credit facility agreement for financing of receivables from buyers of units and parking slots in Eluria                 | Payable in full in 2026; secured by receivables and contract assets from buyers of units in Eluria                                                                                                                                                                                                                                                                                          | 7.25% to 8.00%                 | <b>1,000,890,945</b>   | 346,434,529            |
| <i>Long-term loans -</i>                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                             |                                |                        |                        |
| Long-term loans for working fund requirements                                                                           | Payable from 2025 to 2028; secured by an unregistered real estate mortgage over commercial units and parking spaces of Arya Residences                                                                                                                                                                                                                                                      | 7.53% to 8.12%                 | <b>793,892,396</b>     | 997,234,025            |
| Long-term loans for working fund requirements                                                                           | Unsecured and payable in full upon maturity                                                                                                                                                                                                                                                                                                                                                 | 7.50%                          | <b>350,000,000</b>     | 350,000,000            |
| Long-term loans for working fund requirements                                                                           | Unsecured and payable in full in 2026 and 2027                                                                                                                                                                                                                                                                                                                                              | 8.09% to 8.63%                 | <b>2,021,191,739</b>   | -                      |
| Long-term loans for working fund requirements                                                                           | Unsecured and payable in full in 2026 and 2027                                                                                                                                                                                                                                                                                                                                              | 8.50% to 8.63%                 | <b>402,800,000</b>     | -                      |
|                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                             |                                | <b>₱18,032,447,683</b> | <b>₱12,422,800,781</b> |

### Development of Green Projects

In 2020, the Group entered into a term loan agreement of ₱1,000.0 million with a local bank to obtain financing for the Group's eligible green projects, including land banking, investments and refinancing in relation to eligible green projects. The Group is required to maintain a debt-to-equity ratio of not more

than 2.0x and current ratio of not less than 1.5x on a consolidated basis. As at December 31, 2024, the Group has current ratio of 1.6x and debt to equity ratio of 1.4x which is compliant with the financial covenants. The loan was fully settled in February 2025.

In 2025, the Group entered into a sustainability-linked loan agreement of ₱1,000.0 million with a local bank to finance project development and land acquisitions, to refinance existing debt, and for other general corporate purposes. ALCO is required to maintain a debt-to-equity ratio of not more than 2.0x and current ratio of not less than 1.5x on an annual consolidated basis.

#### *Construction of Eluria*

In 2022, Bhavya entered into a term loan facility with a local bank to partially finance the construction of Eluria. Loan proceeds are available in multiple tranches from the date of initial drawdown. The outstanding loan balance is secured by real estate mortgage on the land of Bhavya. Moreover, Bhavya is required to maintain debt to equity ratio of not more than 2.0x, current ratio of not less than 1.5x and project debt to equity ratio not exceeding 0.5x.

The debt-to-equity ratio, current ratio and project debt to equity ratio of Bhavya as at December 31, 2024 based on its financial statements is 2.0x, 2.0x and 0.5x, respectively, which are compliant with the requirements of the term loan. As at September 30, 2025, the Group is compliant with these financial ratios.

#### *Construction of Lucima Residences*

In 2021, the Company entered into a term loan facility of ₱930.0 million with a local bank to partially finance the construction of Lucima Residences. Loan proceeds are available in multiple tranches for a period of 3 years from the date of initial drawdown. The outstanding loan balance is secured by real estate mortgage on the land of Bhavana located in Cebu City. Moreover, Bhavana is required to maintain debt to equity ratio of not more than 2.00x, current ratio of not less than 1.50x and project debt to equity ratio not exceeding 0.50x.

The debt-to-equity ratio, current ratio and project debt to equity ratio of Bhavana as at December 31, 2024 based on its financial statements are 1.8x, 1.9x and 0.3x, respectively, which are compliant with the requirements of the term loan. As at September 30, 2025, the Group is compliant with these financial ratios.

#### *Construction of Sevina Park*

In 2021, Cazneau entered into a long-term loan facility of ₱1.0 billion with a local bank to partially finance the construction of Sevina Park. Loan proceeds are available in multiple tranches for a period of three (3) years from the date of initial drawdown. The outstanding loan balance is secured by real estate mortgage over two parcels of land of Cazneau and grant of security interest over shares of ALCO. Moreover, Cazneau is required to maintain debt to equity ratio of not more than 2.00x and current ratio of not less than 1.50x.

The debt to equity and current ratio of Cazneau as at December 31, 2024 based on its financial statements are 1.1x and 1.6x, respectively, which are compliant with the requirements of the term loan. As at September 30, 2025, the Group is compliant with these financial ratios.

#### *Construction of ACPT*

In 2015, the Parent Company entered into an OLSA for a credit line of ₱2.0 billion, to partially finance the cost of construction and development of the ACPT. The outstanding loan balance is secured by the ACPT building and a security trust agreement covering the maintenance of revenue and operating accounts, project receivables and project agreements. The group is required to maintain a current ratio of at least 1.50x and a debt-to-equity ratio of not more than 2.00x based on the annual consolidated financial statements of the Group. As at December 31, 2024, the Group is fully compliant with these debt covenants. The loan was fully settled in July 2025.

### *Construction of Project Rock*

In 2025, ZLDC entered into a long-term loan facility of ₱2.4 billion, to partially finance the cost of construction and development of Project Rock. The outstanding loan balance is secured by real estate mortgage on the real estate property registered in the name of ZLDC and ₱20 million deposit hold out also in the name of ZLDC. Moreover, ZLDC is required to maintain a current ratio of at least 1.50x and a debt-to-equity ratio of not more than 2.00x and this shall be tested annually starting on the year of initial borrowing.

### **Private Funders**

Outstanding balances of the loans from private funders amounting to ₱53.0 million as at September 30, 2025 and December 31, 2024, with interest rate of 5.80% p.a., are unsecured and are for working capital requirements of the Group.

## **14. BONDS PAYABLE**

Details of this account are as follows:

|                                       | <b>September 2025</b> | <b>December 2024</b>  |
|---------------------------------------|-----------------------|-----------------------|
| Bonds payable                         | <b>₱3,000,000,000</b> | ₱6,000,000,000        |
| Unamortized debt issue cost           | <b>(35,796,430)</b>   | (44,467,581)          |
|                                       | <b>2,964,203,570</b>  | 5,955,532,419         |
| Less current portion of bonds payable | -                     | 3,000,000,000         |
|                                       | <b>₱2,964,203,570</b> | <b>₱2,955,532,419</b> |

In October 2019, the Board of Directors (BOD) of ALCO approved the filing of a registration statement for the shelf registration of ₱6.0 billion fixed rate ASEAN Green Bonds (the “Bonds”) and the initial tranche of ₱2.0 billion bonds, with an oversubscription option of up to ₱1.0 billion.

In January 2020, the SEC approved the registration of the Bonds and the issuance of the initial tranche of the Bonds. On February 6, 2020, ALCO issued the initial tranche of the Bonds amounting to ₱2.0 billion with an oversubscription of ₱1.0 billion. It has a term ending five years from the issue date or on February 6, 2025, with a fixed interest rate of 6.35% p.a. and an early redemption option on the 3rd and 4th year from issue date. The proceeds of the initial tranche are for the development of eligible green projects and payment of certain outstanding loans of the Group. This was fully redeemed in February 2025.

In October 2022, the BOD approved the second tranche of up to ₱3.0 billion. The SEC approved the offer supplement in December 2022 for ₱2.4 billion with an oversubscription of up to ₱0.6 billion. These bonds have a five-year term with a fixed interest rate of 8.00% p.a. and an early redemption option in the 3rd and 4th years, and a seven-year term with a fixed interest rate of 8.75% p.a. and an early redemption option in the 5th and 6th years. Proceeds will fund eligible green projects and repay certain outstanding loans.

ALCO shall maintain the following financial ratios, with testing to be done on an annual basis, for as long as any of the ASEAN Green Bonds remain outstanding: debt to equity ratio of not more than 2.00x and current ratio of at least 1.50x. Testing of both financial covenants shall be done on April 30 of each year, using the December 31 audited consolidated financial statements of the Group. As at September 30, 2025 and December 31, 2024, the Group is compliant with these financial ratios.

Interest expense incurred on the Bonds amounted to ₱214.3 million and ₱334.7 million as at September 30, 2025 and 2024, respectively.

## **15. RELATED PARTY TRANSACTIONS**

The company engages, in the normal course of business, in various transactions with its related parties which include entities under common control, key management and others.

### **Share Purchase Agreement**

On December 11, 2024, the ALCO's BOD approved the amendment on the share purchase agreement where the company shall no longer collect from CPG the amount of ₱36.1 million due to the considerable length of time the Complaint has been pending involving the property owned by UPHI, which includes, among others, removing all doubt on the ownership of UPHI over the property. The amendment resulted to the write-off of the receivable from CPG.

### **Advances for Working Capital**

This pertains to expenses advanced by the Group to the related parties. Outstanding balances of advances for working capital are unsecured, unguaranteed, collectible or payable on demand and to be settled in cash.

The Group's allowance for ECL on due from related parties amounted to nil as at September 30, 2025 and December 31, 2024.

### **Compensation of Key Management Personnel**

The compensations of key management personnel are as follows:

|                                      | <b>September 2025<br/>(Nine Months)</b> | <b>December 2024<br/>(Twelve Months)</b> |
|--------------------------------------|-----------------------------------------|------------------------------------------|
| Salaries and other employee benefits | <b>₱99,646,203</b>                      | <b>₱154,490,888</b>                      |
| Retirement benefits expense          | -                                       | 20,193,519                               |
|                                      | <b>₱99,646,203</b>                      | <b>₱174,684,407</b>                      |

### **Transactions with the Retirement Plan**

The Parent Company's retirement fund is administered and managed by a trustee bank. The fair value of plan assets, which are primarily composed of unit investment trust funds, amount to ₱142.2 million and ₱140.3 million as at September 30, 2025 and December 31, 2024.

The retirement fund neither provides any guarantee or surety for any obligation of the Parent Company nor its investments covered by any restrictions or liens.

### **Material Non-controlling Interests**

The Group's non-controlling interests amounting to ₱2,403.8 million, and ₱2,337.6 million as at September 30, 2025 and December 31, 2024, respectively, pertain to interests in SLDC, KHI, Bhavana and Bhavya.

#### ***SLDC***

Non-controlling interests over SLDC is 41% as at September 30, 2025 and December 31, 2024. Net income of SLDC allocated to non-controlling interests amounted to ₱50.8 million for the period ended September 30, 2025, and ₱150.2 million for the year ended December 31, 2024, which were determined based on the agreement between ALCO and HHI.

On March 17 and December 17, 2023, the BOD approved the subscription of convertible preferred shares by Help Holdings Inc. (HHI) to 19,096,407 and 2,049,000, respectively, shares at a subscription price of ₱100 per share or total amount of ₱2,114.5 million. The subscription was fully paid through the conversion of HHI's prior deposit for future stock subscription of the same amount. Additional paid-in capital arising from the subscription of convertible preferred shares aggregated to ₱2,093 million.

On February 23, 2024, the BOD approved the declaration of cash dividends amounting to ₱390.0 million or ₱780 per share to all stockholders of record on March 12, 2024. The dividends were paid on March 20, 2024.

On October 25 and November 29, 2024, the Board of Directors (BOD) approved the subscription of convertible preferred shares by Help Holdings Inc. (HHI) to 147,900 shares and 58,944 shares, respectively, at a subscription price of ₱100 per share or total amount of ₱20.7 million. The subscription was fully paid through the conversion of HHI's prior advances to the Corporation in the same amount.

On June 20, July 25 and September 19, 2025, the Board of Directors (BOD) approved the subscription of preferred shares by Help Holdings Inc. (HHI) to 27,597 shares, 89,752 shares and 41,156 shares, respectively, at a subscription price of ₱100 per share or total amount of ₱15.9 million. The subscription was fully paid through the conversion of HHI's prior advances to the Corporation in the same amount.

#### *KHI*

The Group has 40% non-controlling interests in KHI. The net losses of KHI allocated to non-controlling interests amounting to ₱36.3 million for the period ended September 30, 2025, ₱38.2 million for the year ended December 31, 2024 in which were distributed based on the capital contribution.

On February 23, 2024, KHI's BOD approved the declaration of cash dividends amounting to ₱390.0 million or ₱31.2 per share to all stockholders of record on March 12, 2024. The cash dividends were paid on March 21, 2024. Additionally, the BOD approved to repay the advances to ALCO amounting to ₱138.0 million and to MEC amounting to ₱92.0 million. Repayment to MEC was made in March 2024.

On December 13, 2024, KHI's BOD approved to repay the advances to ALCO amounting to ₱70.2 million and to MEC amounting to ₱46.8 million which was paid on January 23, 2025.

On June 20, 2025, KHI's BOD approved to repay the advances to ALCO amounting to ₱64.2 million and to MEC amounting to ₱42.8 million which was paid on July 21, 2025.

#### *Bhavana and Bhavya*

In December 2021, ALCO sold, transferred and conveyed in favor of Narra Investment Properties Pte. Ltd. ("Narra"), by way of secondary sale, all of its rights, title and interest in and to 40% of the common shares of stock of Bhavana and Bhavya, or 20,000,000 common shares of stock thereof, as well as its shareholder advances and accrued interest receivables aggregating ₱449.4 million in exchange for ₱446.8 million. The transfer of Bhavana and Bhavya shares decreased the effective ownership of ALCO from 100% to 60%.

The net income (loss) of Bhavana and Bhavya allocated to non-controlling interests amounting to (₱26.5 million) and ₱62.4 million, respectively, for the period ended September 30, 2025 and ₱50.0 million and ₱20.4 million, respectively, for the year ended December 31, 2024 in which were distributed based on the capital contribution.

In 2023, Narra also subscribed to 442,000 preferred shares of Bhavya for a total subscription amount of ₱44.2 million.

On March 20, 2024, the BOD approved the subscription of Narra to 300,000 preferred shares of Bhavya at the price of ₱100.00 per share, or a total of ₱30.0 million.

In December 2024, Narra subscribed to 180,000 preferred shares of Bhavana at the price of ₱100 per share, or a total of ₱27.0 million.

The Group has the following transactions with the non-controlling interests:

|                                         | Amount of Transactions |               | Outstanding Balance |                     |
|-----------------------------------------|------------------------|---------------|---------------------|---------------------|
|                                         | September 2025         | December 2024 | September 2025      | December 2024       |
| <b>Advances for Project Development</b> |                        |               |                     |                     |
| HHI                                     | ₱—                     | ₱—            | <b>₱495,919,597</b> | <b>₱495,919,597</b> |

|       | Amount of Transactions |               | Outstanding Balance |                |
|-------|------------------------|---------------|---------------------|----------------|
|       | September 2025         | December 2024 | September 2025      | December 2024  |
| Narra | —                      | —             | <b>411,200,000</b>  | 411,200,000    |
| MEC   | <b>(89,600,000)</b>    | (92,000,000)  | <b>13,400,000</b>   | 103,000,000    |
|       | <b>(₱89,600,000)</b>   | (₱92,000,000) | <b>₱920,519,597</b> | ₱1,010,119,597 |

## 16. EQUITY

The details of the Parent Company's number of common and preferred shares follow:

|                     | September 2025    |                       | December 2024 |                |
|---------------------|-------------------|-----------------------|---------------|----------------|
|                     | Preferred         | Common                | Preferred     | Common         |
| Authorized          | <b>80,000,000</b> | <b>16,368,095,199</b> | 80,000,000    | 16,368,095,199 |
| Par value per share | <b>₱1.00</b>      | <b>₱0.18</b>          | ₱1.00         | ₱0.18          |
| Issued              | <b>47,464,860</b> | <b>5,318,095,199</b>  | 47,464,860    | 5,318,095,199  |
| Outstanding         | <b>37,464,860</b> | <b>5,318,095,199</b>  | 37,464,860    | 5,318,095,199  |

### Preferred Shares

The Group's preferred shares Series A, C, D, E and F are cumulative, nonvoting, nonparticipating and nonconvertible. The movements and details of the issued and outstanding preferred shares are as follows:

|                                                        | September 2025      |                     | December 2024    |              |
|--------------------------------------------------------|---------------------|---------------------|------------------|--------------|
|                                                        | Number of shares    | Amount              | Number of shares | Amount       |
| <b>Issued and outstanding</b>                          |                     |                     |                  |              |
| Balance at beginning of period                         | <b>47,464,860</b>   | <b>₱47,464,860</b>  | 48,500,000       | ₱48,500,000  |
| Issuance during the period                             | -                   | -                   | 18,964,860       | 18,964,860   |
| Retirement during the period                           | -                   | -                   | (20,000,000)     | (20,000,000) |
| Balance at end of period                               | <b>47,464,860</b>   | <b>47,464,860</b>   | 47,464,860       | 47,464,860   |
| Treasury shares                                        | <b>(10,000,000)</b> | <b>(10,000,000)</b> | (10,000,000)     | (10,000,000) |
| Parent Company's preferred shares held by a subsidiary | <b>(26,500,000)</b> | <b>(26,500,000)</b> | (26,500,000)     | (26,500,000) |
| <b>Outstanding</b>                                     | <b>10,964,860</b>   | <b>₱10,964,860</b>  | 10,964,860       | ₱10,964,860  |

In June 2019, the Company made a follow-on offering of 10.0 million cumulative, nonvoting, nonparticipating and nonconvertible Peso-denominated preferred shares (the "Series C Preferred Shares") with ₱1.00 par value a share at the issuance price of ₱100 a share. Excess of the proceeds over the total par value amounting to ₱990.0 million and transactions costs of ₱12.5 million were recognized as additional and reduction to additional paid-in capital, respectively.

On December 3, 2021, the Parent Company made a follow-on offering of 6.0 million cumulative, nonvoting, nonparticipating and nonconvertible Peso-denominated preferred shares (the "Series D Preferred Shares, with ₱1.00 par value a share at the issuance price of ₱500 a share. Excess of the proceeds over the total par value amounting to ₱2,994.0 million and transaction costs of ₱29.6 million were recognized as addition and reduction to additional paid-in capital, respectively.

In May 2024, the redemption of Preferred Shares Series C of the Group was approved. The Group redeemed the 10.0 million preferred shares at a redemption price of ₱100 per share for ₱1,000.0 million, plus accrued and any unpaid cash dividends due on redemption date June 27, 2024.

On August 14, 2024, the Group obtained the approval from SEC to amend its Articles of Incorporation to increase its authorized capital stock by ₱50.0 million. Following the approval, the Group cancelled the 20.0 million Preferred Shares Series B with a selling price of ₱100 per share for ₱2,000.0 million.

In November 2024, ALCO made a follow-on offering of 6.0 million cumulative, nonvoting, nonparticipating and nonconvertible Peso-denominated Preferred Shares Series F with ₱1 par value a share at the issuance price of ₱500 a share. As at December 31, 2024, ALCO issued and outstanding Preferred Shares Series F are 5.0 million for ₱2,482.4 million. Excess of the proceeds over the total par value amounting to ₱2,477.5 million and transactions costs of ₱30.1 million were recognized as addition and reduction to additional paid-in capital, respectively.

On January 22, 2025, ALCO's BOD approved the proposal to amend its Article Seventh of the AOI by decreasing its authorized capital stock by ₱10.0 million. The foregoing decrease in the authorized capital stock corresponds to the redemption of Preferred Shares Series C on June 27, 2024.

#### **Parent Company's Preferred Shares Held by Subsidiary**

In 2016, ALCO issued 12.5 million cumulative, nonvoting, nonparticipating and nonconvertible Peso-denominated Preferred Shares Series A with ₱1 par value a share to MPI. On August 14, 2024, the Parent Company issued to MPI 14.0 million Preferred Shares Series E with a selling price of ₱1 per share for ₱14.0 million.

#### **Common Shares**

As at September 30, 2025 and December 31, 2024, the Parent Company has issued and outstanding common shares of 5,318,095,199 with par value of ₱0.18 amounting to ₱957.3 million.

#### **Dividend Declaration**

The Parent's Company's BOD and stockholders approved the following cash dividends to ALCO's stockholders:

| Declaration Date | Stockholders of<br>Record Date | Payment Date       | Share                     | Amount              | Dividend<br>per Share |
|------------------|--------------------------------|--------------------|---------------------------|---------------------|-----------------------|
| January 22, 2025 | February 07, 2025              | March 03, 2025     | Series D preferred shares | ₱45,000,000         | ₱7.5000               |
| March 26, 2025   | April 15, 2025                 | May 14, 2025       | Series F preferred shares | 45,465,705          | 9.1575                |
| May 07, 2025     | May 22, 2025                   | June 03, 2025      | Series D preferred shares | 45,000,000          | 7.5000                |
| June 27, 2025    | July 21, 2025                  | August 14, 2025    | Series F preferred shares | 45,465,705          | 9.1575                |
| June 27, 2025    | July 15, 2025                  | August 08, 2025    | Common Shares             | 63,817,142          | 0.0120                |
| August 6, 2025   | August 20, 2025                | September 03, 2025 | Series D preferred shares | 45,000,000          | 7.5000                |
| August 6, 2025   | October 21, 2025               | November 14, 2025  | Series F preferred shares | 45,465,705          | 9.1575                |
|                  |                                |                    |                           | <b>₱335,214,257</b> |                       |

| Declaration Date  | Stockholders of<br>Record Date | Payment Date      | Share                     | Amount              | Dividend per<br>Share |
|-------------------|--------------------------------|-------------------|---------------------------|---------------------|-----------------------|
| January 31, 2024  | March 1, 2024                  | March 27, 2024    | Series C preferred shares | ₱17,319,000         | ₱1.7319               |
| January 31, 2024  | February 8, 2024               | March 3, 2024     | Series D preferred shares | 45,000,000          | 7.5000                |
| May 8, 2024       | June 3, 2024                   | June 27, 2024     | Series C preferred shares | 17,319,000          | 1.7319                |
| May 8, 2024       | May 23, 2024                   | June 3, 2024      | Series D preferred shares | 45,000,000          | 7.5000                |
| June 28, 2024     | July 19, 2024                  | August 9, 2024    | Common Shares             | 63,817,142          | 0.0120                |
| August 6, 2024    | August 23, 2024                | September 3, 2024 | Series D preferred shares | 45,000,000          | 7.5000                |
| November 5, 2024  | November 19, 2024              | December 3, 2024  | Series D preferred shares | 45,000,000          | 7.5000                |
| December 11, 2024 | January 21, 2025               | February 14, 2025 | Series F preferred shares | 45,465,705          | 9.1575                |
|                   |                                |                   |                           | <b>₱323,920,847</b> |                       |

#### **Other Equity Reserves**

This account consists of:

|                                                                              | September 2025     | December 2024      |
|------------------------------------------------------------------------------|--------------------|--------------------|
| Effect of changes in the Parent Company's ownership interest in subsidiaries | 169,002,018        | 169,002,018        |
| Stock options outstanding                                                    | 7,161,827          | 7,161,827          |
| Cumulative remeasurement gains on net retirement liability - net of tax      | 32,819,118         | 32,819,118         |
|                                                                              | <b>208,982,963</b> | <b>208,982,963</b> |

### *Stock Options*

In ALCO's annual meeting on 16 October 2009, stockholders approved the 2009 ALCO Stock Option Plan, allowing the issuance of up to 10% of ALCO's total outstanding capital stock equivalent to 531,809,519 shares. The plan was administered by the Stock Option and Compensation Committee, composed of three directors, one of whom is independent. Eligible participants include Board members (excluding independent directors), the President and CEO, corporate officers, managerial employees, and executive officers of subsidiaries or affiliates. The Committee has the authority to determine grant recipients, exercise prices (not below par value), grant timing, and share allocation based on performance evaluations.

The option period spans three years, with vesting as follows: up to 33.33% within the first 12 months, up to 33.33% from the 13th to the 24th month, and up to 33.33% from the 25th to the 36th month. On the exercise date, the full purchase price must be paid, or as decided by the Committee. In 2010, 164.8 million options were granted, but none were exercised until the expiration of the option period in October 2012.

On December 14, 2018, the Board approved granting up to 90 million options at ₱0.85 per share based on performance evaluation of the grantees. On March 25, 2020, the option price was reduced to ₱0.50 per share.

As at September 30, 2025 and December 31, 2024, none of the qualified employees have exercised their options.

### **Use of Proceeds**

#### *Green Bonds - First Tranche*

On February 21, 2024, the BOD approved the reallocation of the use of proceeds of the Bonds effective March 22, 2024, as follows (amounts in millions):

| Project                                                 | Actual Net Proceeds | Proposed Reallocation |
|---------------------------------------------------------|---------------------|-----------------------|
| Savya Financial Center or other Eligible Green Projects | ₱1,500.0            | ₱1,351.0              |
| Manila Long-Term Project                                | 1,140.0             | 1,289.0               |
| Arthaland Century Pacific Tower                         | 309.0               | 309.0                 |
| <b>Total</b>                                            | <b>₱2,949.0</b>     | <b>₱2,949.0</b>       |

This was fully redeemed in February 2025.

#### *Green Bonds – Second Tranche*

The estimated gross proceeds from the offer of the second tranche of the Bonds amounted to ₱2,944.7 million. The actual net proceeds from the offer of the shares, after deducting the related expenses to the offer, amounted to ₱2,949.0 million.

The following tables show the breakdown of the use of the proceeds (amounts in millions):

| Purpose              | Per Offer Supplement | Actual Net Proceeds | <b>Actual Disbursement as at September 30, 2025</b> | Balance for Disbursement as at September 30, 2025 |
|----------------------|----------------------|---------------------|-----------------------------------------------------|---------------------------------------------------|
|                      |                      |                     | <b>₱1,593.7</b>                                     | <b>₱-</b>                                         |
| Project Rock         | ₱226.0               | ₱1,593.7            | <b>₱1,593.7</b>                                     | <b>₱-</b>                                         |
| Project Vanilla      | 1,120.0              | 930.3               | <b>930.3</b>                                        | <b>-</b>                                          |
| Project Teal         |                      | 200.0               | <b>30.0</b>                                         | <b>170.0</b>                                      |
| ACPT Loan and Others | 276.0                | 225.0               | <b>225</b>                                          | <b>-</b>                                          |
| Project Olive        | 1,378.0              | -                   | <b>-</b>                                            | <b>-</b>                                          |
| <b>Total</b>         | <b>₱3,000.0</b>      | <b>₱2,949.0</b>     | <b>₱2,779.0</b>                                     | <b>₱170.0</b>                                     |

On August 06, 2025, the BOD approved the reallocation of the use of proceeds of the second tranche of green bonds effective September 05, 2025, as follows (amounts in millions):

| Project              | Actual Net Proceeds | Reallocation    |
|----------------------|---------------------|-----------------|
| Project Rock         | ₱1,593.7            | ₱1,593.7        |
| Project Vanilla      | 760.0               | 930.3           |
| Project Teal         | -                   | 200.0           |
| ACPT Loan and Others | 225.0               | 225.0           |
| Project Olive        | 370.3               | -               |
| <b>Total</b>         | <b>₱2,949.0</b>     | <b>₱2,949.0</b> |

#### *Series F Preferred Shares*

The gross proceeds from the offer of Series F Preferred Shares amounted to ₱2,482.4 million. The actual net proceeds from the offer of the shares, after deducting the related expenses to the offer, amounted to ₱2,451.5 million.

The following tables show the breakdown of the use of the proceeds (amounts in millions):

| Purpose                              | Gross Proceeds  | Actual Net Proceeds | Actual Disbursement as at September 30, 2025 | Balance for Disbursement as at September 30, 2025 |
|--------------------------------------|-----------------|---------------------|----------------------------------------------|---------------------------------------------------|
| Repayment of BDO Bridge Financing    | ₱1,000.0        | ₱1,000.0            | <b>₱1,000.0</b>                              | ₱-                                                |
| Project Teal                         | 1,140.0         | 821.5               | <b>821.5</b>                                 | -                                                 |
| ACPT Loans                           | 342.4           | 200.0               | <b>200.0</b>                                 | -                                                 |
| Debt Service Reserve Account (DSRA)  |                 |                     |                                              |                                                   |
| Requirement for ACPT Loan            | -               | 200.0               | <b>200.0</b>                                 | -                                                 |
| Investment in Bhavya to fund project |                 |                     |                                              |                                                   |
| Eluria                               | -               | 30.0                | <b>30.0</b>                                  | -                                                 |
| General Corporate Purposes           | -               | 200.0               | <b>200.0</b>                                 | -                                                 |
| <b>Total</b>                         | <b>₱2,482.4</b> | <b>₱2,451.5</b>     | <b>₱2,451.5</b>                              | <b>₱-</b>                                         |

On March 26, 2025, ALCO's BOD approved the reallocation of the use of proceeds of the Series F Preferred Shares effective April 25, 2025, as follows (amounts in millions):

| Purpose                                       | Actual Net Proceeds | Reallocation    |
|-----------------------------------------------|---------------------|-----------------|
| Repayment of BDO Bridge Financing             | ₱1,000.0            | ₱1,000.0        |
| Project Teal                                  | 1,140.0             | 821.5           |
| ACPT Loan and Others                          | 311.5               | 200.0           |
| DSRA Requirement for ACPT Loan                | -                   | 200.0           |
| Investment into Bhavya to Fund Project Eluria | -                   | 30.0            |
| General Corporate Purposes                    | -                   | 200.0           |
| <b>Total</b>                                  | <b>₱2,451.5</b>     | <b>₱2,451.5</b> |

## **17. REVENUES**

The account consists of:

|                       | <b>September 2025<br/>(Nine Months)</b> | September 2024<br>(Nine Months) |
|-----------------------|-----------------------------------------|---------------------------------|
| Real estate sales of: |                                         |                                 |
| Eluria                | <b>₱1,031,409,860</b>                   | ₱435,022,537                    |

|                                             | September 2025<br>(Nine Months) | September 2024<br>(Nine Months) |
|---------------------------------------------|---------------------------------|---------------------------------|
| Una Apartments                              | 1,012,619,581                   | 483,968,750                     |
| Lucima Residences                           | 467,487,464                     | 1,296,076,279                   |
| Sevina Park                                 | 345,317,849                     | 680,443,061                     |
| Cebu Exchange                               | 311,165,605                     | 1,149,024,759                   |
| Savya Financial Center                      | 199,032,638                     | 141,617,057                     |
|                                             | <b>₱3,398,535,305</b>           | <b>₱4,186,152,443</b>           |
| Leasing revenue                             | <b>₱479,751,599</b>             | <b>₱317,853,552</b>             |
| Property Management fees                    | 26,169,824                      | 27,032,639                      |
| Interest from real estate sale (see Note 2) | 58,428,173                      | -                               |
|                                             | <b>₱3,931,382,592</b>           | <b>₱4,531,038,634</b>           |

Leasing revenue pertains to rent income and CUSA earned from various lease contracts of the Parent Company in ACPT, commercial units of MPI in Arya Residences, office units and parking slots of SLDC in Savya Financial Center, commercial and office units and parking slots of CLLC in Cebu Exchange, and dormitory units of Cazneau in Courtyard Hall.

Property management fees pertain to services rendered by APPS in the management and maintenance of all common areas of Arya Residences, ACPT, Cebu Exchange and Savya Financial Center. The service contract with Arya Residences Condominium Corporation had an initial term of seven (7) years from December 1, 2014 and the engagement was renewed for another five (5) years commencing on December 1, 2021. The terms of the service contracts with Arthaland Century Pacific Tower Condominium Corporation is seven (7) years from August 1, 2018, Cebu Exchange Condominium Corporation is five (5) years and Savya Financial Center Condominium Corporation is six (6) years both from September 1, 2023.

## 18. COST AND EXPENSES

This account consists of:

|                            | September 2025<br>(Nine Months) | September 2024<br>(Nine Months) |
|----------------------------|---------------------------------|---------------------------------|
| Cost of real estate sales  | <b>₱2,126,268,951</b>           | ₱3,050,431,682                  |
| Cost of leasing operations | <b>134,810,281</b>              | 119,616,683                     |
| Cost of services           | <b>78,947,377</b>               | 47,384,498                      |
|                            | <b>₱2,340,026,609</b>           | <b>₱3,217,432,863</b>           |

## 19. OPERATING EXPENSES

Details of operating expenses by nature are as follows:

|                                   | September 2025<br>(Nine Months) | September 2024<br>(Nine Months) |
|-----------------------------------|---------------------------------|---------------------------------|
| Personnel costs                   | <b>₱301,351,256</b>             | ₱288,023,526                    |
| Advertising                       | <b>292,583,977</b>              | 234,815,787                     |
| Commissions and Broker's fees     | <b>182,708,558</b>              | 129,584,141                     |
| Taxes and licenses                | <b>141,740,339</b>              | 101,647,243                     |
| Communication and office expenses | <b>110,048,045</b>              | 96,960,802                      |
| Depreciation and amortization     | <b>54,431,738</b>               | 50,425,940                      |
| Management and professional fees  | <b>45,399,282</b>               | 46,472,233                      |
| Transportation and travel         | <b>29,562,075</b>               | 26,248,336                      |
| Repairs and maintenance           | <b>24,724,074</b>               | 10,268,418                      |
| Insurance                         | <b>14,982,108</b>               | 13,249,258                      |
| Rental                            | <b>6,519,025</b>                | 4,762,976                       |

|                | September 2025<br>(Nine Months) | September 2024<br>(Nine Months) |
|----------------|---------------------------------|---------------------------------|
| Utilities      | 6,374,759                       | 6,077,170                       |
| Representation | 5,461,017                       | 1,183,156                       |
| Others         | 22,708,900                      | 25,694,876                      |
|                | <b>₱1,238,595,153</b>           | <b>₱1,035,413,862</b>           |

## 20. FINANCE COSTS

Finance costs relate to the following:

|                  | September 2025<br>(Nine Months) | September 2024<br>(Nine Months) |
|------------------|---------------------------------|---------------------------------|
| Interest expense | <b>₱1,091,612,979</b>           | <b>₱1,088,484,740</b>           |
| Bank charges     | 22,416,377                      | 3,150,737                       |
|                  | <b>₱1,114,029,356</b>           | <b>₱1,091,635,477</b>           |

## 21. OTHER INCOME – NET

This account consists of:

|                                                               | September 2025<br>(Nine Months) | September 2024<br>(Nine Months) |
|---------------------------------------------------------------|---------------------------------|---------------------------------|
| Realized gain on disposals of financial assets at FVPL        | <b>₱86,233,824</b>              | <b>₱53,725,728</b>              |
| Interest income                                               | 64,596,672                      | 217,573,557                     |
| Gain on repossessions                                         | 7,284,950                       | 43,394,380                      |
| Foreign exchange losses                                       | (178,758)                       | (780,403)                       |
| Unrealized holding gains (losses) on financial assets at FVPL | (3,122,082)                     | 11,999,799                      |
| Gain on sale of investment properties                         | -                               | 47,244,161                      |
| Others                                                        | (9,925,063)                     | (3,021,019)                     |
|                                                               | <b>₱144,889,543</b>             | <b>₱370,136,203</b>             |

## 22. NET RETIREMENT LIABILITY

The Group has a funded and non-contributory defined benefit retirement plan covering all of its qualified employees. The retirement benefits are based on years of service and compensation on the last year of employment as determined by an independent actuary. The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with minimum of five years of credited service or late retirement after age 60, both subject to the approval of the Company's BOD.

The plan is exposed to interest rate risks and changes in the life expectancy of qualified employees. The plan is not exposed to significant concentrations of risk on the plan assets.

There are no unusual or significant risks to which the retirement liability exposes the Group. However, in the event a benefit claim arises under the retirement liability, the benefit shall immediately be due and payable from the Parent Company.

The movements of net retirement liability (asset) recognized in the interim consolidated statements of financial position are as follows:

|                                | September 2025     | December 2024 |
|--------------------------------|--------------------|---------------|
| Balance at beginning of period | <b>₱27,371,514</b> | (₱9,005,874)  |
| Retirement expense:            |                    |               |
| Current service cost           | 24,159,971         | 26,490,326    |
| Net interest cost              | -                  | (224,762)     |

|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| Remeasurement loss (gain) on:   |                    |                    |
| Change in financial assumptions | -                  | (1,697,558)        |
| Experience adjustments          | -                  | 10,310,519         |
| Return on retirement plan asset | -                  | 2,413,192          |
| Effect of asset ceiling         | -                  | (914,329)          |
| Balance at end of period        | <b>₱51,531,485</b> | <b>₱27,371,514</b> |

## 23. INCOME TAXES

The components of provision for income tax are as follows:

|                                   | September 2025      | September 2024      |
|-----------------------------------|---------------------|---------------------|
| <b>Reported in Profit or Loss</b> |                     |                     |
| Current:                          |                     |                     |
| RCIT                              | ₱-                  | ₱12,844,187         |
| MCIT                              | <b>40,700,850</b>   | 20,840,728          |
| Final taxes                       | <b>30,156,191</b>   | 54,232,747          |
| Gross income tax (GIT)            | <b>(141,505)</b>    | 3,968,715           |
|                                   | <b>70,715,536</b>   | 91,886,377          |
| Deferred                          | <b>222,129,994</b>  | 187,965,544         |
|                                   | <b>₱292,845,530</b> | <b>₱279,851,921</b> |

### Deferred Tax Assets

The components of the Group's net deferred tax assets presented under Other assets (Note 11) are as follows:

|                      | September 2025     |
|----------------------|--------------------|
| Deferred tax assets: |                    |
| NOLCO                | <b>₱43,996,722</b> |
| Effect of PFRS 16    | <b>13,254</b>      |
| Retirement liability | <b>2,644,240</b>   |
| Deferred tax assets  | <b>₱46,654,216</b> |

### Deferred Tax Liabilities

The components of the Group's net deferred tax assets and liabilities are as follows:

|                                                                  | September 2025        | December 2024 |
|------------------------------------------------------------------|-----------------------|---------------|
| Deferred tax assets:                                             |                       |               |
| NOLCO                                                            | <b>₱1,131,947,884</b> | ₱925,188,957  |
| Excess MCIT over RCIT                                            | <b>83,589,272</b>     | 42,951,753    |
| Retirement liability                                             | <b>37,565,906</b>     | 34,170,154    |
| Advance rent                                                     | <b>20,109,359</b>     | 12,583,583    |
| Unamortized Discount – SFC                                       | <b>13,129,696</b>     | -             |
| Excess of commission expense over commissions paid               | <b>8,172,757</b>      | 8,172,757     |
| Allowance for impairment losses                                  | <b>4,437,348</b>      | 4,437,348     |
| Effect of PFRS 16                                                | <b>401,536</b>        | 165,258       |
|                                                                  | <b>1,299,353,758</b>  | 1,027,669,810 |
| Deferred tax liabilities:                                        |                       |               |
| Cumulative gain on change in fair value of investment properties | <b>2,673,520,228</b>  | 2,354,812,179 |
| Excess of financial over taxable gross profit                    | <b>890,689,908</b>    | 693,889,949   |
| Depreciation of investment properties                            | <b>76,239,744</b>     | 62,377,834    |
| Accrued rent receivable                                          | <b>24,220,891</b>     | 15,382,839    |
| Actuarial gain or loss                                           | <b>11,596,534</b>     | 11,596,534    |
| Transfer of fair value to property and equipment                 | <b>9,715,705</b>      | 9,884,186     |

|                                   | September 2025 | December 2024  |
|-----------------------------------|----------------|----------------|
| Capitalized debt issue costs      | 7,505,067      | 7,634,465      |
| Amortization of past service cost | 2,255,983      | -              |
| Unrealized foreign exchange gains | 2,091,780      | 1,789,696      |
|                                   | 3,697,835,840  | 3,157,367,682  |
| Net deferred tax liabilities      | ₱2,398,482,082 | ₱2,129,697,872 |

The reconciliation between the income tax expense based on statutory income tax rate and effective income tax rate reported in the consolidated statements of comprehensive income is as follows:

|                                              | September 2025 | September 2024 |
|----------------------------------------------|----------------|----------------|
| Income tax computed at statutory tax rate    | ₱274,203,083   | ₱492,076,841   |
| Add (deduct) tax effects of:                 |                |                |
| Change in unrecognized deferred tax assets   | 14,371,273     | 1,895,485      |
| Nondeductible expenses and nontaxable income | 7,899,162      | 16,538,168     |
| Taxable rent                                 | 5,001,914      | 12,144,554     |
| Dividend income from subsidiaries            | -              | (208,500,000)  |
| Income subject to GIT                        | (3,280,735)    | (19,390,895)   |
| Income subject to final tax                  | (5,349,172)    | (16,312,232)   |
| Other income                                 | -              | 1,400,000      |
|                                              | ₱292,845,525   | ₱279,851,921   |

#### **PEZA Registration**

ACPT is registered with the PEZA as an Ecozone Facilities Enterprise (see Note 1). The scope of its registered activity is limited to development, operation and maintenance of an economic zone.

Under the PEZA Registration Agreement, ACPT is entitled to:

- 5% GIT, in lieu of all national and local taxes; and
- Tax and duty-free importation of capital equipment required for the technical viability and operation of the registered facilities or activities.

Any income from activities of ACPT outside the PEZA-registered activities is subject to RCIT.

#### **Ease of Paying Taxes (EOPT) Act**

R.A. No. 11976, otherwise known as the “Ease of Paying Taxes (EOPT) Act”, which took effect on January 22, 2024, aimed to simplify tax filings, particularly for those classified as Micro and Small Taxpayers, by introducing the file-and-pay anywhere system and allowing most of the tax processes to be done online. It also involved transitioning to an invoicing system to streamline the registration process and expedite VAT refund handling.

## **24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group’s financial instruments comprise cash in banks, cash equivalents, financial assets at FVPL, receivables (excluding advances for project development and accrued rent receivable under straight-line basis of accounting), amounts held in escrow, deposits, loans and bonds payable, accounts and other payables (except statutory liabilities, advance rent and payable to customers) and advances from non-controlling interests.

It is the Group’s policy that no trading in financial instruments shall be undertaken. The main risks arising from the Group’s financial instruments are credit risk, liquidity risk and interest rate risk. The BOD reviews and approves policies for managing these risks as summarized below.

### Credit Risk

The Group's exposure to credit risk arises from the failure of counterparty to fulfill its financial commitments to the Group under the prevailing contractual terms. Financial instruments that potentially subject the Group to credit risk consist primarily of trade receivables, contract assets and other financial assets at amortized cost. The carrying amounts of financial assets at amortized cost represent its maximum credit exposure.

#### *Trade Receivables and Contract Assets*

Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms, and conditions are offered. The Group's credit policy includes available external ratings, financial statements, credit agency information, industry information and, in some cases, bank references. Credit limits are established for each customer and reviewed on a regular basis. Any sales on credit exceeding those limits require specific approval from upper level of management. The Group limits its exposure to credit risk by transacting mainly with recognized and creditworthy customers that have undergone its credit evaluation and approval process. Historically, trade receivables are substantially collected within one (1) year and it has no experience of writing-off or impairing its trade receivables due to the effectiveness of its collection. As customary in the real estate business, title to the property is transferred only upon full payment of the purchase price. There are also provisions in the sales contract which allow forfeiture of installments or deposits made by the customer in favor of the Group. Also, customers are required to deposit postdated checks to the Group covering all installment payments. These measures minimize the credit risk exposure or any margin loss from possible default in the payment of installments. Trade receivables from lease are closely monitored on aging of the account. As at September 30, 2025 and December 31, 2024, there were no significant credit concentrations. The maximum exposure at the end of the reporting period is the carrying amount of trade receivables and contract assets.

#### *Other Financial Assets at Amortized Cost*

The Group's other financial assets at amortized cost are mostly composed of cash in banks, cash equivalents, amounts held in escrow and investment in time deposits. The Group limits its exposure to credit risk by investing only with banks that have good credit standing and reputation in the local and international banking industry. These instruments are graded in the top category by an acceptable credit rating agency and, therefore, are considered to be low credit risk investments. For deposits, credit risk is low since the Group only transacts with reputable companies and individuals with respect to this financial asset.

It is the Group's policy to measure ECL on the above instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and
- Actual or expected significant adverse changes in the operating results of the borrower.

The Group also considers financial assets that are more than 30 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent significant credit risk such as when non-payment arising from administrative oversight rather than resulting from financial difficulty of the borrower.

#### *Financial Assets at FVPL*

The Group is also exposed to credit risk in relation to its investments in money market fund that is measured at FVPL. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

### **Liquidity Risk**

Liquidity risk is the risk that the Group may not be able to settle its obligations as they fall due.

The Group monitors its risk to a shortage of funds through analyzing the maturity of its financial investments and financial assets and cash flows from operations. The Group monitors its cash position by a system of cash forecasting. All expected collections, check disbursements and other payments are determined on a daily basis to arrive at the projected cash position to cover its obligations.

The Group's objective is to maintain a balance between continuity of funding and flexibility. The Group addresses liquidity concerns primarily through cash flows from operations.

### **Interest Rate Risk**

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Group's loans and bonds payable to local banks are subject to fixed interest rates and are exposed to fair value interest rate risk. The re-pricing of these instruments is done on annual intervals.

The Group regularly monitors interest rate movements and on the basis of current and projected economic and monetary data, decides on the best alternative to take. No sensitivity analysis is needed as future interest rate changes are not expected to significantly affect the Group's consolidated net income.

## **25. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES**

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity as presented in the statements of financial position. Capital for the reporting periods under review is summarized as follows:

|                      | <b>September 2025</b>  | <b>December 2024</b> |
|----------------------|------------------------|----------------------|
| Total liabilities    | <b>₱31,808,033,991</b> | ₱26,289,431,728      |
| Total equity         | <b>14,298,546,751</b>  | 14,252,302,840       |
| Debt-to-equity ratio | <b>2.22:1.00</b>       | 1.84:1.00            |

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

## **26. EARNINGS PER SHARE (EPS)**

Basic and diluted earnings per share are computed as follows:

|                                                                                                          | <b>September 2025</b> | <b>September 2024</b> |
|----------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Net income attributable to equity holders                                                                |                       |                       |
| of the Parent Company                                                                                    | <b>₱315,261,739</b>   | ₱593,200,967          |
| Less share of Series C, D and F Preferred Shares                                                         | <b>(271,397,116)</b>  | (169,638,000)         |
| Net income attributable to equity holders of the Parent Company for basic and diluted earnings per share | <b>43,864,623</b>     | 423,562,967           |

|                                                          | September 2025 | September 2024 |
|----------------------------------------------------------|----------------|----------------|
| Weighted average number of common shares for diluted EPS | 5,318,095,199  | 5,318,095,199  |
| Basic and diluted EPS                                    | ₱0.0082        | ₱0.0796        |

Basic EPS is computed by dividing net income for the period attributable to common equity holders of the Parent Company by the weighted average number of common shares issued and outstanding during the period.

Diluted EPS is computed by dividing net income for the period attributable to common equity holders of the Parent Company by the weighted average number of common shares issued and outstanding during the period plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares into common shares.

## 27. FAIR VALUE MEASUREMENT

The following table presents the carrying amounts and fair values of the Group's assets and liabilities measured at fair value and for which fair values are disclosed, and the corresponding fair value hierarchy:

|                                               |                 | September 2025                            |                                         |                                           |
|-----------------------------------------------|-----------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                               |                 | Fair Value                                |                                         |                                           |
|                                               | Carrying Amount | Quoted Prices in Active Markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Assets measured at fair value -               |                 |                                           |                                         |                                           |
| Financial assets at FVPL                      | 1,030,047,237   | 1,030,047,237                             | -                                       | -                                         |
| Investment properties                         | 15,872,967,210  | -                                         | 1,983,239,806                           | 13,889,727,404                            |
| Financial assets at amortized cost -          |                 |                                           |                                         |                                           |
| Deposits                                      | 207,203,099     | -                                         | -                                       | 207,203,099                               |
|                                               | 17,110,217,546  | 1,030,047,237                             | 1,983,239,806                           | 14,096,930,503                            |
| Liability for which fair value is disclosed - |                 |                                           |                                         |                                           |
| Loans payable                                 | 18,085,671,653  | -                                         | -                                       | 18,085,671,653                            |
| Bonds payable                                 | 2,964,203,570   | -                                         | -                                       | 2,964,203,570                             |
|                                               | 21,049,875,223  | -                                         | -                                       | 21,049,875,223                            |

|                                               |                 | December 2024                             |                                         |                                           |
|-----------------------------------------------|-----------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                               |                 | Fair Value                                |                                         |                                           |
|                                               | Carrying Amount | Quoted Prices in Active Markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Assets measured at fair value:                |                 |                                           |                                         |                                           |
| Financial assets at FVPL                      | 1,895,958,320   | 1,895,958,320                             | -                                       | -                                         |
| Investment properties                         | 14,590,019,555  | -                                         | 1,971,065,512                           | 12,618,954,043                            |
| Financial assets at amortized cost -          |                 |                                           |                                         |                                           |
| Deposits                                      | 502,128,321     | -                                         | -                                       | 502,128,321                               |
|                                               | 16,988,106,196  | 1,895,958,320                             | 1,971,065,512                           | 13,121,082,364                            |
| Liability for which fair value is disclosed - |                 |                                           |                                         |                                           |
| Loans payable                                 | 12,476,024,751  | -                                         | -                                       | 12,658,799,990                            |
| Bonds payable                                 | 5,955,532,419   | -                                         | -                                       | 6,280,628,403                             |
|                                               | 18,431,557,170  | -                                         | -                                       | 18,939,428,393                            |

The table below presents the financial assets and liabilities of the Group whose carrying amounts approximate fair values as at September 30, 2025 and December 31, 2024:

|                                     | September 2025        | December 2024         |
|-------------------------------------|-----------------------|-----------------------|
| Financial assets:                   |                       |                       |
| Cash and cash equivalents           | ₱1,855,229,449        | ₱4,045,963,662        |
| Receivables*                        | 2,646,653,302         | 1,753,712,299         |
| Amounts held in trust and in escrow | 176,533,735           | 344,873,988           |
|                                     | <b>₱4,678,416,486</b> | <b>₱6,144,549,949</b> |

|                                         |                       |                       |
|-----------------------------------------|-----------------------|-----------------------|
| Financial liabilities:                  |                       |                       |
| Accounts and other payables**           | ₱5,102,049,376        | ₱2,967,577,001        |
| Advances from non-controlling interests | 920,519,597           | 1,010,119,597         |
|                                         | <b>₱6,022,568,973</b> | <b>₱3,977,696,598</b> |

\*Excludes accrued rent receivable aggregating ₱43.9 million and ₱18.0 million as at September 30, 2025 and December 31, 2024, respectively.

\*\*Excludes advances from buyers, advance rent, statutory liabilities, deferred output vat and lease liabilities aggregating ₱1,737.5 million and ₱1,294.6 million as at September 30, 2025 and December 31, 2024, respectively.

## 28. CLASSIFICATION OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ACCOUNTS

The Group's current portions of its assets and liabilities are as follows:

|                                                      | September 2025         | December 2024          |
|------------------------------------------------------|------------------------|------------------------|
| <b>Current Assets</b>                                |                        |                        |
| Cash and cash equivalents                            | ₱1,855,229,449         | ₱4,045,963,662         |
| Financial asset at fair value through profit or loss | 1,030,047,237          | 1,895,958,320          |
| Receivables                                          | 2,690,537,292          | 1,771,675,289          |
| Contract assets                                      | 8,398,459,582          | 7,625,261,813          |
| Real estate for sale                                 | 12,513,148,241         | 7,271,174,737          |
| Other assets*                                        | 2,586,854,226          | 2,476,172,000          |
|                                                      | <b>₱29,074,276,027</b> | <b>₱25,086,205,821</b> |

\*Excludes non-current portion of advances for asset purchase and land acquisition, advances to contractors, amount held in escrow, deposits, software, deferred tax assets and deferred input VAT amounting to ₱859.5 million and ₱563.9 million as at September 30, 2025 and December 31, 2024, respectively.

|                                           |                        |                        |
|-------------------------------------------|------------------------|------------------------|
| <b>Current Liabilities</b>                |                        |                        |
| Current portion of loans & bonds payable* | ₱11,827,538,036        | ₱11,699,545,361        |
| Accounts and other payables**             | 4,278,239,104          | 3,756,450,394          |
| Contract liabilities                      | 548,041,948            | 428,492,840            |
|                                           | <b>₱16,653,819,088</b> | <b>₱15,884,488,595</b> |

\*Excludes long term portion of loans & bonds payable amounting to ₱ 9,222.3 million and ₱6,732.0 million as at September 30, 2025 and December 31, 2024, respectively.

\*\*Excludes non-current portion of payable for the purchase of land, retention payable, deferred output VAT, lease liabilities and other payables amounting to ₱2,561.3 million and ₱505.7 million as at September 30, 2025 and December 31, 2024, respectively.

## 29. OPERATING SEGMENT INFORMATION

The Group is organized into operating segments based on the type of product or service. The Group's reportable operating segments relates to sale of real estate, leasing and property management services.

All of the assets relating to the Group's operating segments are located in the Philippines. Accordingly, reporting operating segments per geographical business operation is not required.

Segment assets, liabilities and revenue and expenses are measured in accordance with PFRS. The presentation and classification of segment revenue and expenses are consistent with the consolidated statements of comprehensive income. The presentation and classification of segment assets and liabilities are consistent with the consolidated statements of financial position.

The following tables present revenue and expense information and certain assets and liabilities information regarding the different business segments as at and for the period ended September 30, 2025, December 31, 2024 and September 30, 2024:

| September 2025 (Unaudited)                                |                     |               |                              |                 |                  |                 |
|-----------------------------------------------------------|---------------------|---------------|------------------------------|-----------------|------------------|-----------------|
|                                                           | Sale of Real Estate | Leasing       | Property Management Services | Corporate       | Eliminations     | Total           |
| Segment revenue                                           | ₱3,425,461,170      | ₱479,751,599  | ₱1,077,633,030               | ₱-              | (₱1,051,463,206) | ₱3,931,382,592  |
| Segment expenses                                          | (2,182,807,908)     | (137,462,281) | (162,557,734)                | (2,147,257,046) | 1,051,463,206    | (3,578,621,762) |
| Segment profit (loss)                                     | 1,242,653,262       | 342,289,318   | 915,075,296                  | (2,147,257,046) | -                | 352,760,830     |
| Net gain on change in fair value of investment properties | -                   | 1,274,832,181 | -                            | -               | -                | 1,274,832,181   |
| Finance cost                                              | -                   | -             | -                            | (1,427,288,039) | 313,258,683      | (1,114,029,356) |
| Other income - net                                        | -                   | -             | -                            | 144,889,543     | -                | 144,889,543     |
| Income (loss) before income tax                           | 1,242,653,262       | 1,617,121,499 | 915,075,296                  | (3,429,655,543) | 313,258,683      | 658,453,198     |
| Provision for income tax                                  |                     |               |                              |                 |                  | 292,845,530     |
| Net income                                                |                     |               |                              |                 |                  | 365,607,668     |
| Other comprehensive income                                |                     |               |                              |                 |                  | -               |
| Total comprehensive income                                |                     |               |                              |                 |                  | ₱365,607,668    |

| September 2024 (Unaudited)                                |                     |               |                              |                 |                |                 |
|-----------------------------------------------------------|---------------------|---------------|------------------------------|-----------------|----------------|-----------------|
|                                                           | Sale of Real Estate | Leasing       | Property Management Services | Corporate       | Eliminations   | Total           |
| Segment revenue                                           | ₱4,186,152,443      | ₱317,853,552  | ₱213,809,490                 | ₱-              | (₱186,776,851) | ₱4,531,038,634  |
| Segment expenses                                          | (3,123,322,680)     | (119,616,683) | (124,673,572)                | (1,072,010,641) | 186,776,851    | (4,252,846,725) |
| Segment profit (loss)                                     | 1,062,829,763       | 198,236,869   | 89,135,918                   | (1,072,010,641) | -              | 278,191,909     |
| Net gain on change in fair value of investment properties |                     | 1,513,644,438 | -                            | -               | -              | 1,513,644,438   |
| Finance cost                                              | (464,017,140)       | (668,791,457) | -                            | (84,545,006)    | 125,718,126    | (1,091,635,477) |
| Other income - net                                        | -                   | -             | -                            | 370,136,203     | -              | 370,136,203     |
| Income (loss) before income tax                           | 598,812,623         | 1,043,089,850 | 89,135,918                   | (786,419,444)   | 125,718,126    | 1,070,337,073   |
| Provision for income tax                                  | -                   | -             | -                            | -               | -              | 279,851,921     |
| Net income                                                |                     |               |                              |                 |                | 790,485,152     |
| Other comprehensive income                                |                     |               |                              |                 |                | -               |
| Total comprehensive income                                |                     |               |                              |                 |                | ₱790,485,152    |

| September 2025 (Unaudited) |                     |                  |                              |                   |                   |                   |
|----------------------------|---------------------|------------------|------------------------------|-------------------|-------------------|-------------------|
|                            | Sale of Real Estate | Leasing          | Property Management Services | Corporate         | Eliminations      | Total             |
| Segment assets             | ₱25,906,891,509     | ₱25,652,017,110  | ₱80,419,983                  | ₱8,690,581,759    | (₱14,223,329,619) | ₱46,106,580,742   |
| Segment liabilities        | (₱8,991,802,949)    | (₱8,098,727,104) | (₱67,560,002)                | (₱23,355,435,721) | ₱8,705,491,785    | (₱31,808,033,991) |

| December 2024 (Audited) |                     |                 |                              |                   |                   |                   |
|-------------------------|---------------------|-----------------|------------------------------|-------------------|-------------------|-------------------|
|                         | Sale of Real Estate | Leasing         | Property Management Services | Corporate         | Eliminations      | Total             |
| Segment assets          | ₱7,655,935,731      | ₱14,590,019,556 | ₱358,214,091                 | ₱28,486,901,276   | (₱10,549,336,086) | ₱40,541,734,568   |
| Segment liabilities     | (₱6,192,787,928)    | (₱60,722,065)   | ₱-                           | (₱24,590,802,181) | ₱7,952,139,540    | (₱26,289,431,728) |

### 30. FINANCIAL RATIOS

Below is a schedule showing financial soundness indicators for the period ended September 30, 2025, December 31, 2024 and September 30, 2024:

| RATIO         | FORMULA                                                    | SEPT 2025 | DEC 2024 | SEPT 2024 |
|---------------|------------------------------------------------------------|-----------|----------|-----------|
| Current Ratio | $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ | 1.75:1    | 1.58:1   | 1.58:1    |

|                                        |                                                                                                                                                                                                 |                |        |        |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------|--------|
| Acid Test Ratio                        | $\frac{\text{Quick Assets}}{\text{Current Liabilities}}$                                                                                                                                        | <b>0.33:1</b>  | 0.49:1 | 0.43:1 |
| Solvency Ratios                        | $\frac{\text{Net Income before depreciation}}{\text{Total liabilities}}$                                                                                                                        | <b>0.01:1</b>  | 0.03:1 | 0.03:1 |
| Debt-to-Equity Ratio                   | $\frac{\text{Total Liabilities}}{\text{Total Equity}}$                                                                                                                                          | <b>2.22:1</b>  | 1.84:1 | 2.31:1 |
| Debt to Equity Ratio for Loan covenant | $\frac{\text{Total Debt [Bonds and loans payable and amount payable for purchase properties] to Total Equity [Total Equity and Advances from non-controlling interest]*}}{\text{Total Equity}}$ | <b>1.51:1</b>  | 1.36:1 | 1.72:1 |
| Asset-to-Equity Ratio                  | $\frac{\text{Total Assets}}{\text{Total Equity}}$                                                                                                                                               | <b>3.22:1</b>  | 2.84:1 | 3.31:1 |
| Interest Rate Coverage Ratio           | $\frac{\text{Pretax Income before Interest}}{\text{Interest expense}}$                                                                                                                          | <b>1.60:1</b>  | 1.74:1 | 1.98:1 |
| Profitability Ratio                    | $\frac{\text{Net Income attributable to equity holders of the Parent Company}}{\text{Total Equity}}$                                                                                            | <b>0.03:1</b>  | 0.05:1 | 0:07:1 |
| Return on Equity                       | $\frac{\text{Net Income}}{\text{Average Equity excluding Preferred Shares}}$                                                                                                                    | <b>4.03%</b>   | 5.32%  | 9.79%  |
| Return on Assets                       | $\frac{\text{Net Income}}{\text{Average Total assets}}$                                                                                                                                         | <b>0.86%</b>   | 1.87%  | 2.09%  |
| Net Profit Margin                      | $\frac{\text{Net Income}}{\text{Revenue}}$                                                                                                                                                      | <b>9%</b>      | 12%    | 17%    |
| Basic Earnings per Share               | $\frac{\text{Net income less dividends declared}}{\text{Outstanding common shares}}$                                                                                                            | <b>0.0082</b>  | 0.0594 | 0.0796 |
| Price to Earnings Ratio                | $\frac{\text{Market Price per share}}{\text{Earnings per share}}$                                                                                                                               | <b>52.74:1</b> | 6.14:1 | 5.09:1 |
| Dividend Yield                         | $\frac{\text{Dividends per share}}{\text{Market price per share}}$                                                                                                                              | <b>2.76%</b>   | 3.29%  | 2.96%  |

December 2024 ratio is based on full year income while September 2025 and September 2024 ratios are based on nine-month income.

\*2024: Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity

### 31. EVENTS AFTER THE REPORTING PERIOD

#### Declaration of Cash Dividends

The Parent Company's BOD approved and declared the following cash dividends:

| Class of shares           | Declaration Date | Stockholders of Record Date | Payment Date      | Amount      | Dividend per Share |
|---------------------------|------------------|-----------------------------|-------------------|-------------|--------------------|
| Series D preferred shares | October 29, 2025 | November 13, 2025           | December 03, 2025 | ₱45,000,000 | ₱7.500             |

The dividends shall be taken out of the unrestricted earnings of the Parent Company as at September 30, 2025.

### Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

#### FINANCIAL POSITION

SEPTEMBER 2025 vs DECEMBER 2024

|                                                              | SEPT 30, 2025         | DEC 31, 2024   | % Change |
|--------------------------------------------------------------|-----------------------|----------------|----------|
| Cash and cash equivalents                                    | <b>₱1,855,229,449</b> | ₱4,045,963,662 | -54%     |
| Financial assets at fair value through profit or loss (FVPL) | <b>1,030,047,237</b>  | 1,895,958,320  | -46%     |
| Receivables                                                  | <b>2,690,537,292</b>  | 1,771,675,289  | 52%      |
| Contract Assets                                              | <b>8,398,459,582</b>  | 7,625,261,813  | 10%      |
| Real estate for sale                                         | <b>12,513,148,241</b> | 7,271,174,737  | 72%      |

|                                                             | SEPT 30, 2025          | DEC 31, 2024           | % Change   |
|-------------------------------------------------------------|------------------------|------------------------|------------|
| Investment properties                                       | 15,872,967,210         | 14,590,019,555         | 9%         |
| Property and equipment                                      | 299,834,782            | 301,618,461            | -1%        |
| Other Assets                                                | 3,446,356,949          | 3,040,062,731          | 13%        |
| <b>Total Assets</b>                                         | <b>46,106,580,742</b>  | <b>40,541,734,568</b>  | <b>14%</b> |
|                                                             |                        |                        |            |
| Accounts and other payables                                 | 6,839,583,656          | 4,262,192,735          | 60%        |
| Loans payable                                               | 18,085,671,653         | 12,476,024,751         | 45%        |
| Bonds payable                                               | 2,964,203,570          | 5,955,532,419          | -50%       |
| Contract liabilities                                        | 548,041,948            | 428,492,840            | 28%        |
| Advances from non-controlling interests                     | 920,519,597            | 1,010,119,597          | -9%        |
| Net retirement liability                                    | 51,531,485             | 27,371,514             | 88%        |
| Net deferred tax liabilities                                | 2,398,482,082          | 2,129,697,872          | 13%        |
| <b>Total Liabilities</b>                                    | <b>31,808,033,991</b>  | <b>26,289,431,728</b>  | <b>21%</b> |
|                                                             |                        |                        |            |
| Equity attributable to equity holders of the Parent Company |                        |                        |            |
| Capital stock                                               | 1,004,721,996          | 1,004,721,996          | 0%         |
| Additional paid-in capital                                  | 6,464,321,710          | 6,464,321,710          | 0%         |
| Treasury shares                                             | (1,000,000,000)        | (1,000,000,000)        | 0%         |
| Parent Company's preferred shares held by a subsidiary      | (26,500,000)           | (26,500,000)           | 0%         |
| Retained earnings                                           | 5,243,224,821          | 5,263,177,339          | 0%         |
| Other equity reserves                                       | 208,982,963            | 208,982,963            | 0%         |
|                                                             | 11,894,751,490         | 11,914,704,008         | 0%         |
| Non-controlling interests                                   | 2,403,795,261          | 2,337,598,832          | 3%         |
| <b>Total Equity</b>                                         | <b>14,298,546,751</b>  | <b>14,252,302,840</b>  | <b>0%</b>  |
| <b>Total Liabilities and Equity</b>                         | <b>₱46,106,580,742</b> | <b>₱40,541,734,568</b> | <b>14%</b> |

The Company's total assets as of September 30, 2025 is at ₱46.1 billion, reflecting a 14% increase from ₱40.5 billion last December 31, 2024.

#### Causes for any material changes (+/- 5% or more) in the financial statements

##### *54% Decrease in Cash and Cash Equivalents*

The decrease is largely due to payment for land and property acquisitions and repayment of Green Bond Tranche 1, net of additional loan proceeds.

##### *46% Decrease in Financial Assets at Fair Value through Profit or Loss*

The decrease is mainly due to repayment of Green Bond Tranche 1.

##### *52% Increase in Receivables*

The increase is primarily due to the maturity of the Contract to Sale (CTS) with buyers of Lucima and Savya Financial Center projects.

##### *10% Increase in Contract Assets*

The increase is due to new real estate contracts recognized during the period mainly from buyers of Eluria, UNA Apartments and Sevina Park Villas.

##### *72% Increase in Real Estate for Sale*

This is mainly due to land and property acquisitions in Metro Manila and Cebu for future developments.

#### *9% Increase in Investment Properties*

The increase is attributed to the revaluation of office and retail units and land properties of the Group.

#### *13% Increase in Other Assets*

The increase is largely due to higher input tax credits and creditable withholding taxes, including advances to contractors and suppliers.

**Total liabilities increased by 21% from ₱26.3 billion on December 31, 2024 to ₱31.8 billion as at September 30, 2025 due to the following:**

#### *60% Increase in Accounts and Other Payables*

The increase is mainly due to liabilities arising from land acquisition in Cebu, deferred output vat, and trade payables for ongoing construction of projects.

#### *45% Increase in Loans Payable*

The increase pertains mainly to additional loans to finance the development of the ongoing projects of the group.

#### *50% Decrease in Bonds Payable*

The decrease is mainly due to redemption of ALCO's P3 billion ASEAN Green Bonds Tranche 1.

#### *28% Increase in Contract Liabilities*

The increase is due to payments received from buyers of residential units for which the related revenue has not yet been recognized.

#### *9% Decrease in Advances from Non-Controlling Interests*

The decrease is due to repayment of advances from a stockholder.

#### *88% Increase in Retirement Liability*

This refers to additional provision of retirement expense for the period.

#### *13% Increase in Deferred Tax Liabilities*

The increase is mainly due to taxes related to fair value gain recognition of investment properties.

### **FINANCIAL RATIOS**

SEPTEMBER 2025 vs DECEMBER 2024

| <b>RATIO</b>                           | <b>FORMULA</b>                                                                                                                                                                                  | <b>SEPT 2025</b> | <b>DEC 2024</b> |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------|
| Current Ratio                          | $\frac{\text{Current Assets}}{\text{Current Liabilities}}$                                                                                                                                      | <b>1.75:1</b>    | 1.58:1          |
| Acid Test Ratio                        | $\frac{\text{Quick Assets}}{\text{Current Liabilities}}$                                                                                                                                        | <b>0.33:1</b>    | 0.49:1          |
| Solvency Ratios                        | $\frac{\text{Net Income before depreciation}}{\text{Total liabilities}}$                                                                                                                        | <b>0.01:1</b>    | 0.03:1          |
| Debt-to-Equity Ratio                   | $\frac{\text{Total Liabilities}}{\text{Total Equity}}$                                                                                                                                          | <b>2.22:1</b>    | 1.84:1          |
| Debt to Equity Ratio for Loan covenant | $\frac{\text{Total Debt [Bonds and loans payable and amount payable for purchase properties] to Total Equity [Total Equity and Advances from non-controlling interest]*}}{\text{Total Equity}}$ | <b>1.51:1</b>    | 1.36:1          |
| Asset-to-Equity Ratio                  | $\frac{\text{Total Assets}}{\text{Total Equity}}$                                                                                                                                               | <b>3.22:1</b>    | 2.84:1          |
| Interest Rate Coverage Ratio           | $\frac{\text{Pretax Income before Interest}}{\text{Interest expense}}$                                                                                                                          | <b>1.60:1</b>    | 1.74:1          |
| Return on Equity                       | $\frac{\text{Net Income}}{\text{Average Equity excluding Preferred Shares}}$                                                                                                                    | <b>4.03%</b>     | 5.32%           |

| RATIO                    | FORMULA                                                                              | SEPT 2025 | DEC 2024 |
|--------------------------|--------------------------------------------------------------------------------------|-----------|----------|
| Return on Assets         | $\frac{\text{Net Income}}{\text{Average Total assets}}$                              | 0.86%     | 1.87%    |
| Net Profit Margin        | $\frac{\text{Net Income}}{\text{Revenue}}$                                           | 9%        | 12%      |
| Basic Earnings per Share | $\frac{\text{Net income less dividends declared}}{\text{Outstanding common shares}}$ | 0.0082    | 0.0594   |
| Price to Earnings Ratio  | $\frac{\text{Market Price per share}}{\text{Earnings per share}}$                    | 52.74:1   | 6.14:1   |
| Dividend Yield           | $\frac{\text{Dividends per share}}{\text{Market price per share}}$                   | 2.76%     | 3.29%    |

\*2024: Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity

## FINANCIAL RATIOS

SEPTEMBER 2025 vs SEPTEMBER 2024

| Ratio                                  | Formula                                                                                                                                                                       | SEPT 2025 | SEPT 2024 |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Current Ratio                          | $\frac{\text{Current Assets}}{\text{Current Liabilities}}$                                                                                                                    | 1.75:1    | 1.58:1    |
| Acid Test Ratio                        | $\frac{\text{Quick Assets}}{\text{Current Liabilities}}$                                                                                                                      | 0.33:1    | 0.43:1    |
| Solvency Ratios                        | $\frac{\text{Net Income before depreciation}}{\text{Total liabilities}}$                                                                                                      | 0.01:1    | 0.03:1    |
| Debt-to-Equity Ratio                   | $\frac{\text{Total Liabilities}}{\text{Total Equity}}$                                                                                                                        | 2.22:1    | 2.31:1    |
| Debt-to-Equity Ratio for Loan covenant | $\frac{\text{Total Debt [Bonds and loans payable and amount payable for purchase properties] to Total Equity [Total Equity and Advances from non-controlling interest]}^*}{}$ | 1.51:1    | 1.72:1    |
| Asset-to-Equity Ratio                  | $\frac{\text{Total Assets}}{\text{Total Equity}}$                                                                                                                             | 3.22:1    | 3.31:1    |
| Interest Rate Coverage Ratio           | $\frac{\text{Pretax Income before Interest}}{\text{Interest expense}}$                                                                                                        | 1.60:1    | 1.98:1    |
| Return on Equity                       | $\frac{\text{Net Income}}{\text{Average Equity excluding Preferred Shares}}$                                                                                                  | 4.03%     | 9.79%     |
| Return on Assets                       | $\frac{\text{Net Income}}{\text{Average Total assets}}$                                                                                                                       | 0.86%     | 2.09%     |
| Net Profit Margin                      | $\frac{\text{Net Income}}{\text{Revenue}}$                                                                                                                                    | 9%        | 17%       |
| Basic Earnings per Share               | $\frac{\text{Net income less dividends declared}}{\text{Outstanding common shares}}$                                                                                          | 0.0082    | 0.0796    |
| Price to Earnings Ratio                | $\frac{\text{Market Price per share}}{\text{Earnings per share}}$                                                                                                             | 52.74:1   | 5.09:1    |
| Dividend Yield                         | $\frac{\text{Dividends per share}}{\text{Market price per share}}$                                                                                                            | 2.76%     | 2.96%     |

\*2024: Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity

## RESULTS OF OPERATIONS

SEPTEMBER 2025 vs SEPTEMBER 2024

|                   | SEPT 30, 2025  | % of Sale | SEPT 30, 2024  | % of Sale | % Change |
|-------------------|----------------|-----------|----------------|-----------|----------|
| Revenues          | ₱3,931,382,592 | 100%      | ₱4,531,038,634 | 100%      | -13%     |
| Cost and Expenses | 2,340,026,609  | 60%       | 3,217,432,863  | 71%       | -27%     |
| GROSS INCOME      | 1,591,355,983  | 40%       | 1,313,605,771  | 29%       | 21%      |
|                   |                |           |                |           |          |

|                                                           | SEPT 30, 2025   | % of Sale | SEPT 30, 2024   | % of Sale | % Change |
|-----------------------------------------------------------|-----------------|-----------|-----------------|-----------|----------|
| Administrative expenses                                   | 752,362,585     | 19%       | 671,013,933     | 15%       | 12%      |
| Selling and marketing expenses                            | 486,232,568     | 12%       | 364,399,929     | 8%        | 33%      |
| OPERATING EXPENSES                                        | 1,238,595,153   | 32%       | 1,035,413,862   | 23%       | 20%      |
|                                                           |                 |           |                 |           |          |
| INCOME FROM OPERATIONS                                    | 352,760,830     | 9%        | 278,191,909     | 6%        | 27%      |
|                                                           |                 |           |                 |           |          |
| OTHER OPERATING INCOME (EXPENSES)                         |                 |           |                 |           |          |
| Finance costs                                             | (1,114,029,356) | 28%       | (1,091,635,477) | 24%       | 2%       |
| Net gain on change in fair value of investment properties | 1,274,832,181   | 32%       | 1,513,644,438   | 33%       | -16%     |
| Other income – net                                        | 144,889,543     | 4%        | 370,136,203     | 8%        | -61%     |
|                                                           |                 |           |                 |           |          |
| INCOME BEFORE INCOME TAX                                  | 658,453,198     | 17%       | 1,070,337,073   | 24%       | -38%     |
| PROVISION FOR INCOME TAX                                  | 292,845,530     | 7%        | 279,851,921     | 6%        | 5%       |
|                                                           |                 |           |                 |           |          |
| NET INCOME                                                | ₱365,607,668    | 9%        | ₱790,485,152    | 17%       | -54%     |
|                                                           |                 |           |                 |           |          |
| NET INCOME ATTRIBUTABLE TO:                               |                 |           |                 |           |          |
| Equity holders of Parent Company                          | 315,261,739     | 8%        | 593,200,967     | 13%       | -47%     |
| Non-controlling interests                                 | 50,345,929      | 1%        | 197,284,185     | 4%        | -74%     |
|                                                           | ₱365,607,668    | 9%        | ₱790,485,152    | 17%       | -54%     |

**The Group's consolidated income from operations increased by 27% from ₱278.2M to ₱352.8M. Meanwhile, net income for the first three quarters of the year decreased by 54%, from ₱790.5 million to ₱365.6 million.**

#### **Causes for any material changes (+/- 5% or more) in the financial statements**

##### *13% Decrease in Revenues*

The projects that contributed largely to Revenues in Q3 2024 are either fully sold or about to be fully sold in Q3 2025, its effect was lessened by the increase in revenues contributed by Project Eluria and the initial revenue recognition of Una Apartment Tower 2.

##### *27% Decrease in Cost and Expenses*

This is mainly due to the adjusted construction cost of the ongoing projects that are near completion.

##### *12% Increase in Administrative Expenses*

This is largely due to higher taxes, personnel cost, and expenses related to SAP S4HANA migration.

##### *33% Increase in Selling & Marketing Expenses*

The increase is mainly attributed to commission, sales and marketing expenses related to new project launch and international sales roadshow.

##### *16% Decrease in Net Gain on Change in Fair Value of Investment Properties*

This is related to the current revaluation of the group's investment properties based on independent appraiser's report.

##### *61% Decrease in Other Income - net*

This is mainly due to interest income from lower fund balance that are available for money market placements.

#### 5% Increase in Provision for Income Tax

The increase is due to higher taxable income for the nine-month period ended 2025.

### RESULTS OF OPERATIONS

JULY - SEPTEMBER 2025 vs JULY - SEPTEMBER 2024

|                                                           | JUL 1 - SEP 30,<br>2025 | % of<br>Sale | JUL 1 - SEP 30,<br>2024 | % of<br>Sale | %<br>Change |
|-----------------------------------------------------------|-------------------------|--------------|-------------------------|--------------|-------------|
| Revenues                                                  | ₱ 1,721,701,000         | 100%         | ₱ 1,959,926,830         | 100%         | -12%        |
| Cost and Expenses                                         | 1,103,456,976           | 64%          | 1,484,131,463           | 76%          | -26%        |
| GROSS INCOME                                              | 618,244,024             | 36%          | 475,795,367             | 24%          | 30%         |
|                                                           |                         |              |                         |              |             |
| Administrative expenses                                   | 252,759,522             | 15%          | 237,356,504             | 12%          | 6%          |
| Selling and marketing expenses                            | 164,410,931             | 10%          | 135,101,273             | 7%           | 22%         |
| OPERATING EXPENSES                                        | 417,170,453             | 24%          | 372,457,777             | 19%          | 12%         |
|                                                           |                         |              |                         |              |             |
| INCOME FROM OPERATIONS                                    | 201,073,571             | 12%          | 103,337,590             | 5%           | 95%         |
|                                                           |                         |              |                         |              |             |
| OTHER OPERATING INCOME (EXPENSES)                         |                         |              |                         |              |             |
| Finance costs                                             | (427,487,344)           | -25%         | (378,506,824)           | -19%         | 13%         |
| Net gain on change in fair value of investment properties | 441,051,273             | 26%          | 635,845,729             | 32%          | -31%        |
| Other income – net                                        | 39,838,864              | 2%           | 72,376,851              | 4%           | -45%        |
|                                                           |                         |              |                         |              |             |
| INCOME BEFORE INCOME TAX                                  | 254,476,364             | 15%          | 433,053,346             | 22%          | -41%        |
| PROVISION FOR INCOME TAX                                  | 128,973,510             | 7%           | 109,432,281             | 6%           | 18%         |
|                                                           |                         |              |                         |              |             |
| NET INCOME                                                | ₱ 125,502,854           | 7%           | ₱ 323,621,065           | 17%          | -61%        |
|                                                           |                         |              |                         |              |             |
| NET INCOME ATTRIBUTABLE TO:                               |                         |              |                         |              |             |
| Equity holders of Parent Company                          | 105,210,978             | 6%           | 320,154,527             | 16%          | -67%        |
| Non-controlling interests                                 | 20,291,876              | 1%           | 3,466,538               | 0%           | -485%       |
|                                                           | ₱ 125,502,854           | 7%           | ₱ 323,621,065           | 17%          | -61%        |

**The Group's consolidated income from operations q-on-q increased by 95% from ₱103.3M to ₱201.1M while net income decreased by 61%, from ₱323.6 million to ₱125.5 million.**

#### Causes for any material changes (+/- 5% or more) in the financial statements

##### 12% Decrease in Revenues

The projects that contributed largely to revenues in Q3 2024 are either fully sold or about to be fully sold in Q3 2025, its effect was lessened by the increase in revenues contributed by Project Eluria and Sevina Park Villas and the initial revenue recognition of Una Apartment Tower 2.

##### 26% Decrease in Cost and Expenses

The decrease is due to lower cost of projects that contributed to Q3 2025 sales.

##### 6% Increase in Administrative Expenses

This is largely due to higher taxes and expenses related to SAP S4HANA migration.

##### 22% Increase in Selling and Marketing Expenses

The increase is mainly attributed to expenses related to new project - LIV North launch and other sales and marketing events and roadshows.

*13% Increase in Finance Costs*

This is because of higher loan balances for the quarter.

*31% Decrease in Net Gain on Change in Fair Value of Investment Properties*

This is related to the current revaluation of the group's investment properties based on independent appraiser report.

*45% Decrease in Other Income - net*

This is mainly due to the lower fund balance available for money market placements.

*18% Increase in Provision for Income Tax*

This is due to higher taxable income for the period.